

SCHEDULE "A"

Schedule "A"

Delegated Authority 2025-32

THE CITY OF SAULT STE. MARIE COMMUNITY IMPROVEMENT PROGRAM

MARKET RATE PER DOOR PROGRAM

FINANCIAL INCENTIVE PROGRAM AGREEMENT

THIS AGREEMENT made pursuant to subsection 28 (11) of the Planning Act, R.S.O. 1990, c. P.13, and dated as of ____ day of _____, 202*.

[NTD: to be registered as a Notice under s. 71]

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")

-and-

**

(the "Owner" and if more than one person, collectively the "Owner")

Registered Property Owner(s): _____

Applicant (if not the Owner): _____

Financial Incentive Application File Number: _____

Property Address: _____

Legal Description of the Property: _____

Roll Number of the Property: _____

Telephone Number: _____

Date of Application Approval: _____

Anticipated Construction Start Date: _____

Anticipated Completion of Community Improvement Works: _____

Amount of Grant: _____

Declaration:

1. I/We hereby have applied for a per door grant, pursuant to the City of Sault Ste. Marie Community Improvement Plan, and have fulfilled the requirements of the Financial Incentive Program Application to the satisfaction of the City.
2. I/We hereby agree that if building permits have not been issued within three months of receiving approval for the above named project that the City may revoke any approval that has been granted.
3. I/We hereby agree that in the event of default, the rebate, refund, and/or grant is immediately cancelled and any rebate, refund, and/or grant monies previously received by the applicant become immediately due for payment to the City of Sault Ste. Marie.
4. Any of the following events as determined by the CIP administrators discretion will be considered default during the grant period:
 - i. Commencement of the approved community improvement works is not undertaken within 6 months of the signing of this Agreement;
 - ii. Completion of the community improvement works are not consistent with the description or information as provided by the Applicant on the approved Per Door Grant Application Form and by supporting materials, or are not completed to the satisfaction of the City as confirmed by the Plan Administrator;
 - iii. Use of the grant for ineligible costs, or for works which were not specified as part of the project, as indicated by the Applicant on the approved Per Door Grant Application Form and supporting materials;
 - iv. Failure of the property owner to pay taxes in any year over the following 20 years following the date of this agreement;
 - v. Bankruptcy of the recipient of the Per Door Grant;
 - vi. Conversion or change in use of the dwelling units in a manner that defeats or contravenes the stated purpose of creating addition housing units.
5. Based on the Applicant's Acknowledgement and Agreement, the City of Sault Ste. Marie agrees to advance the above-described grant upon satisfactory proof of the completion of the work, and documentation of paid invoices associated with the community improvement works.
6. I/We hereby agree that it is the responsibility of the Applicant to notify the City of Sault Ste. Marie of the following:
 - i. Any changes in the ownership of the property before completion of the project;
 - ii. The completion of the work; or
 - iii. Any delay in the timing of commencement or completion of the work as stated herein.
7. I/We acknowledges that the City is a municipal entity that can recoup funds owed by adding them to the Owner's municipal property taxes. In the event of any overpayment or default

under the terms and conditions of this Agreement, the Owner agrees that the City can use the municipal property tax roll of the Lands to register the amount owed to the City by the Owner. If the amount added to the municipal property taxes remains unpaid, the City may take action to collect any amount added to the municipal property tax roll of the Lands under this provision in the same manner as outstanding taxes, including, but not limited to, applicable interest under the City's tax collection process and tax sales.

- 8. I/We hereby agree that this Agreement Form shall be binding upon the parties and their heirs, executors, successors and assigns.

THIS AGREEMENT shall be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties have affixed their hands and seals this _____ day of _____, 20_____

SIGNED SEALED AND DELIVERED

In the presence of

) THE CORPORATION OF THE
) CITY OF SAULT STE. MARIE
)
)
)
) _____
) Peter Tonazzo
) Director of Planning
)
)
)
)
) I/We have the authority to bind the Corporation
)
) BUSINESS NAME (Printed in Full)
)
) _____
)
)
) _____
) SIGNATURE
) NAME:
) TITLE:
)

THE CITY OF SAULT STE. MARIE COMMUNITY IMPROVEMENT PROGRAM

MARKET RATE TAX INCREMENT FINANCIAL GRANT

FINANCIAL INCENTIVE PROGRAM AGREEMENT

THIS AGREEMENT made pursuant to subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P.13, and dated as of ____ day of _____, 202*.

[NTD: to be registered as a Notice under s. 71]

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")

-and-

**

(the "Owner" and if more than one person, collectively the "Owner")

Registered Property Owner(s): _____

Applicant (if not the Owner): _____

Financial Incentive Application
File Number: _____

Property Address: _____

Legal Description of the Property: _____

Roll Number of the Property: _____

Telephone Number: _____

Date of Application Approval: _____

Anticipated Construction Start: _____

Anticipated Completion of
Community Improvement Works: _____

Schedule of Increments Taxes Eligible for Rebate:

Year 1 : _____

Year 2 : _____

Year 3 : _____

Year 4 : _____

Year 5 : _____

Declaration:

1. I/We hereby have applied for a tax increment equivalent grant, pursuant to the City of Sault Ste. Marie Community Improvement Plan, and have fulfilled the requirements of the Financial Incentive Program Application to the satisfaction of the City.
2. I/We hereby acknowledge receiving and reviewing this form and attached Schedule "B" and the Specific Terms and Conditions of the Financial Incentive Program as contained therein.
3. I/We hereby agree that in the event of default, the rebate, refund, and/or grant is immediately cancelled and any rebate, refund, and/or grant monies previously received by the applicant become immediately due for payment to the City of Sault Ste. Marie.
4. Any of the following events will be considered default during the grant period:
 - i. Commencement of the approved community improvement works is not undertaken within 6 months of the signing of this Agreement;
 - ii. Completion of the community improvement works are not consistent with the description or information as provided by the Applicant on the approved Per Door Grant Application Form and by supporting materials, or are not completed to the satisfaction of the City as confirmed by the Plan Administrator;
 - iii. Use of the grant for ineligible costs, or for works which were not specified as part of the project, as indicated by the Applicant on the approved Per Door Grant Application Form and supporting materials;
 - iv. Failure of the property owner to pay taxes in any year over the following 20 years following the date of this agreement;
 - v. Bankruptcy of the recipient of the Per Door Grant;
 - vi. Conversion or change in use of the dwelling units in a manner that defeats or contravenes the stated purpose of creating addition housing units.
5. Based on the Applicant's Acknowledgement and Agreement, the City of Sault Ste. Marie agrees to advance the above-described grant upon satisfactory proof of the completion of the work, and documentation of paid invoices associated with the community improvement works.

- 6. I/We hereby agree that it is the responsibility of the Applicant to notify the City of Sault Ste. Marie of the following:
 - i. Any changes in the ownership of the property before completion of the project;
 - ii. The completion of the work; or
 - iii. Any delay in the timing of commencement or completion of the work as stated herein.
- 7. I/We hereby agree to carry and provide to the City upon request insurance requirements for the duration of the program that meet the requirements as listed in Schedule C.
- 8. I/We hereby agree that this Agreement Form shall be binding upon the parties and their heirs, executors, successors and assigns.

THIS AGREEMENT shall be binding upon the successors and assigns of the parties hereto.

IN WITNESS WHEREOF the parties have affixed their hands and seals this _____ day of _____, 20_____

SIGNED SEALED AND DELIVERED

In the presence of

) THE CORPORATION OF THE
) CITY OF SAULT STE. MARIE
)
)
)
) _____
) Peter Tonazzo
) Director of Planning
)
)
)
) I/We have the authority to bind the Corporation
)
) BUSINESS NAME (Printed in Full)
)
) _____
)
)
) _____
) SIGNATURE
) NAME:
) TITLE:
)

SCHEDULE "B" – SPECIFIC TERMS & CONDITIONS OF TAX INCREMENT EQUIVALENT GRANT

Program Details

1. The Tax Increment Equivalent Grant is offered to eligible property owners only where the property assessment increases as a result of development, redevelopment or major improvement, and there is a subsequent increase in municipal property taxes. Municipal property taxes include the municipal portion of the taxes only and does not include education or any other special charges.
2. Grants will be equal to a declining percentage of the municipal tax increase resulting from the improvements, and will be paid to the owner each year for a maximum of 4 years depending on the precinct in which the project takes place.
3. The total amount of the Tax Increment Equivalent Grant shall not exceed 100% of the total eligible costs of the improvements.
4. Grants will be provided upon successful completion of the work as approved by the CIP administrator and payment in full of the property taxes including the taxes for the incremental assessment increase. The amount of the grant in the first year cannot be calculated until the incremental assessment has been determined by the Municipal Property Assessment Corporation (MPAC) and provided to the municipality, which may take up to two years. Grants for subsequent years will be paid annually to property owners after the owner's payment of full property tax, submit to the City's payment schedule.
5. The tax increment equivalent grant will not be paid and will not accumulate for any year when taxes remain unpaid by the due date. Any failure to pay taxes in two consecutive years shall disqualify the owner for further grant payments.
6. The Owner acknowledges that the City is a municipal entity that can recoup funds owed by adding them to the Owner's municipal property taxes. In the event of any overpayment or default under the terms and conditions of this Agreement, the Owner agrees that the City can use the municipal property tax roll of the Lands to register the amount owed to the City by the Owner. If the amount added to the municipal property taxes remains unpaid, the City may take action to collect any amount added to the municipal property tax roll of the Lands under this provision in the same manner as

outstanding taxes, including, but not limited to, applicable interest under the City's tax collection process and tax sales.

SCHEDULE "C" – INSURANCE REQUIREMENTS OF TAX INCREMENT EQUIVALENT GRANT

1. During the Term, the Owner shall provide and maintain the following insurance coverage:
 - a) Commercial General Liability Insurance subject to limits of not less than \$5,000,000.00 for bodily injury, death and damage to property including loss of use thereof, which shall include insurance for the following:
 - (A) Premises and Operations Liability;
 - (B) Products and Completed Operations Liability;
 - (C) Personal Injury Liability;
 - (D) Elevator Liability, if applicable;
 - (E) Contingent Employer's Liability;
 - (F) Owner's and Contractor's Protective Liability;
 - (G) Contractual Liability;
 - (H) Severability of Interest Clause;
 - (I) Liability with respect to non-owned licensed motor vehicles; and
 - (J) Cross Liability,and the Commercial General Liability insurance shall be in the name of the Owner and shall name the City of Ottawa as an additional insured thereunder;
 - b) Broad Form Property Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder;
 - c) Boiler and Machinery Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder; and

- d) Motor Vehicle Liability Insurance in respect to owned or leased licensed Motor Vehicles subject to a limit of not less than \$2,000,000.00 inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof.
2. All the above policies listed in Section 1 shall name the City as mortgagee and first loss payee, contain an endorsement to provide the City with thirty (30) days prior written notice of cancellation or of material change that would diminish coverage. The Owner shall provide the City evidence of such insurance as the City may from time to time reasonably require.
3. The Owner shall furnish the City with copies of such policies or certificates of insurance as evidence of such insurance prior to execution of this Agreement and upon the anniversary date(s) of all applicable policies described herein.
4. The Owner may be required by the City to provide and maintain additional insurance coverage related to this Agreement's requirements, under the following circumstances:
 - a) a change in the law; or
 - b) an increase in the value of the Project,such that it would lead a prudent owner in similar circumstances to provide and maintain such additional insurance coverage.
5. Any approval by the City of any of the Owner's insurance policies shall not relieve the Owner of any responsibility hereunder.

INDEMNITY

6. In the event that, as a result of the City exercising any of its remedies pursuant to this Agreement, there is no SSM CIP TIEG or the SSM CIP TIEG ceases or is delayed, the Owner agrees that notwithstanding any costs or expenses incurred by the Owner, the Owner shall not have any claim for compensation or reimbursement of these costs and expenses against the City and that the City is not liable to the Owner for losses, damages, interest, or claims which the Owner may bear for any reason whatsoever.
7. The Owner shall indemnify, save, defend and keep harmless from time to time and at all times, the City and its officers, employees, councillors, and agents from and against all claims, actions, causes of action, interest, demands, costs, charges, damages, expenses and loss made by any person arising directly or indirectly from:
 - a) the City entering into this Agreement (however, same does not relieve the City of its obligations to abide by and perform its obligations set out herein); and
 - b) any failure by the Owner to fulfil its obligations under this Agreement.
8. The indemnities contained in this Agreement shall remain in force following termination or expiry of this Agreement.

THIS AGREEMENT made pursuant to subsection 28(11) of the *Planning Act*, R.S.O. 1990, c. P.13, and dated as of _____ day of _____, 202*.

[NTD: to be registered as a Notice under s. 71]

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")

-and-

**

(the "Owner" and if more than one person, collectively the "Owner")

WHEREAS:

- A. On August 12, 2024, City Council approved Report A-10-24-CIP Housing Community Improvement Plan, and adopted the *City of Sault Ste. Marie Housing Improvement Plan* (the "SSM CIP") pursuant to the community improvement provisions of the *Planning Act* (Ontario), as amended;
- B. The Owner is the registered Owner of land municipally known as *** and described in Schedule "A" of this Agreement (hereinafter referred to as the "Lands");
- C. The Owner is constructing upon the Lands a residential development consisting of ** units, of which ** will be affordable (the "Project"), representing **% units within the development;
- D. The Owner applied to the City for an SSM CIP Per Door Grant as provided for in the SSM CIP;
- E. The Per Door Grant value is expected to be \$** and the Director of Planning or their designate has approved the Owner's application on certain conditions; and
- F. As a condition of approval for the Per Door Grant under the SSM CIP, the Owner is required by the City to enter into this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of:

- a) the premises, covenants and agreements to be observed, fulfilled and performed pursuant to this Agreement; and
- b) the conditional approval of the Owner's application for the SSM CIP Per Door Grant by the City, subject to and in accordance with the terms and conditions hereinafter recorded in this Agreement,

the parties do hereby covenant and agree as follows:

DEFINITIONS

- 1. In this Agreement the following terms shall have the following meanings:
 - a) "Affordable Housing Units" mean the rental housing units within the Project that are rented at or below Affordability Levels for the duration of the Affordability Period.
 - b) "Affordability Level" means the rent for an Affordable Housing Unit, as stated in, the "Affordable Residential Units Bulletin" published by the Province of Ontario for the year the Per Door Grant comes into effect for the year this agreement is signed.

- c) **"Affordability Level Grant"** means the grant amount in relation to the Affordability Level: Grant will be determined based upon total affordable units and location within a precinct in the municipality that will specify the total grant from the development. These rates are published in Schedule B
 - d) **"Affordability Period"** means the period during which the Affordable Housing Units are rented at or below the Affordability Level, which is set at 20 years
 - e) **"Agreement"** shall mean this SSM CIP Per Door Agreement and all instruments supplemental hereto or any amendment or confirmation hereof; "herein", "hereof", "hereto", "hereunder" and similar expressions mean and refer to this Agreement and not to any particular Article, Section, Subsection or other subdivision; "Article", "Section", "Subsection" or other subdivision of this Agreement means and refers to the specified Article, Section, Subsection or other subdivision of this Agreement;
 - f) **"SSM CIP"** means the *City of Sault Ste. Marie Housing Improvement Plan* approved by the Sault Ste. Marie City Council on August 12, 2024 and adopted by By-law No. 2024-171 and By-law No. 2024-172;
 - g) **"SSM CIP Per Door Grant"** means a Per Door Grant as contemplated by the SSM CIP to encourage and facilitate development of affordable housing properties by providing financial incentives to landowners;
 - h) **"SSM CIP Per Door Grant Application"** means the application submitted by the Owner in respect of its request for a Per Door Grant as contemplated by the SSM CIP for the development of the Project on the Lands;
 - i) **"SSM CIP Per Door Grant Eligibility Date"** means the date after post-construction once this agreement has been registered notwithstanding the date when the Director of Planning or their designate approved the Owner's SSM CIP Per Door Grant Application and the year in which Council approved the budget for payment of the Per Door Grant to the Owner;
 - j) **"Per Door Grant"** means the grant equivalent allotted by Schedule B for the development over the course of the program.
2. All references to money amounts herein are, unless specifically otherwise stated, references to lawful money of Canada.
 3. Nothing set out in this Agreement shall impose upon the City any obligation to monitor the proper application of any of the Per Door Grant.

TERM

4. This Agreement shall commence on the date it is executed by all parties and shall terminate on the earlier of:
 - a) the 20th anniversary of the SSM CIP Per Door Grant Eligibility Date; or
 - b) the date this Agreement is terminated by the City in accordance with and pursuant to the terms hereof.

AFFORDABLE HOUSING REQUIREMENTS

5. The Owner agrees to provide the following in the Project:
 - a) Affordable Housing Units: Total of ** units out of a possible ** units.
 - b) Affordability Level: Rates in the "Affordable Residential Units Bulletin"
 - c) Affordability Level Grant: As Indicated in Schedule B
 - d) Affordability Period: 20 years

PER DOOR GRANT AMOUNT

6. The Per Door Grant shall take the form of a lump sum payment as determined by the Affordability Level Grant
7. Notwithstanding anything to the contrary in this Agreement, the Affordability Level Grant shall remain unamended during the Term of this Agreement even if:
 - a) the actual rent and Affordability Level is lower than that which is required under this Agreement

SSM CIP PER DOOR GRANT

8. Subject to the provisions of this Agreement and the SSM CIP, the City agrees to provide to the Owner the Per Door Grant upon verification of expenses and registration of this Agreement on title of the Lands.

CONDITIONS OF THE PER DOOR GRANT

9. The Per Door Grant is conditional upon:
- a) the Owner being in compliance with all material provisions of this Agreement;
 - b) The Project being complete and having been issued a Final Occupancy Permit from the City's Building Division;
 - c) Final building inspection having taken place and all deficiencies having been addressed, to the satisfaction of the City of Sault Ste. Marie, which includes no outstanding work orders and/or orders or requests to comply from any City department or other regulatory authority in respect of the initial development of the Project and the business of the Owner to the extent it relates directly to and in respect of the Project;
 - d) The City being satisfied that there are no liens, claims or litigation in respect of the Project, or in the event of any such lien, claims or litigation the Owner is, in good faith, disputing same;
 - e) the Owner and the Lands shall adhere to all laws, regulations, and City by-laws; and,
 - f) Initial and annual confirmation/reporting being completed and the City being satisfied that the Affordable Housing Units are being provided as required under this Agreement.

ADDITIONAL INFORMATION

10. The City may request any additional documentation or proof of the conditions being met and may request a third-party review of any matter and in each instance the City shall act reasonably in making such request. Any third-party review shall be at the cost of the Owner, provided such costs are reasonable. Notwithstanding the performance of a review or the payment of any form of SSM CIP Per Door Grant pursuant to this Agreement, the City shall not be estopped from having such additional reviews conducted as it may reasonably require from time to time but in any event, not more than twice per calendar year during the above noted period.

PAYMENT PROCESS

11. Yearly, and subject to the conditions for the Per Door Grant being met, the Owner shall provide:
- a) the Annual Report to the City confirming conditions have been met, in the form attached as Schedule D.
12. Once the information/documentation is received by the City and verified to its satisfaction, acting reasonably, the City, prior to paying the Per Door Grant, shall confirm the eligibility and amount of the Per Door Grant and advise the Owner of the payment schedule of the Per Door Grant. The decision of the City regarding the eligibility and amount of the Per Door Grant is final and not subject to review by any court or other adjudicative body, absent manifest error.
13. Payment shall be issued by way of an EFT, or if deemed necessary by, cheque within a reasonable time following confirmation by staff of the eligibility of the Per Door Grant.

LIMITATIONS

14. No costs incurred by the Owner in respect of the development or redevelopment of the Lands except those listed below in section 15 shall be eligible for a Per Door Grant under this Agreement.
15. Eligible Costs will consist of the following:
- i. Construction Costs including expenses related to building or renovating the structures, including materials, labour, and equipment.
 - ii. Soft Costs that include architectural and engineering design fees
 - iii. Site Work Costs including expenses for preparing the site for construction, including excavation, grading, and landscaping
- The City of Sault Ste. Marie reserves the right to make a final decision on all costs submitted as proof of the development.
16. In the event conditions as contemplated by an SSM CIP Per Door Grant Application are not met, including if the Project is not completed, the City shall not be obligated to pay a grant or any portion thereof.
17. The Per Door Grant is not payable by the City until such time as all eligible expenses have been verified and this Agreement has been registered on title.

OWNER'S REPRESENTATIONS AND WARRANTIES

18. The Owner represents and warrants that:
- a) It is the registered owner of the Lands;
 - b) It has been duly incorporated as a corporation and is in good standing under the *provincial or federal legislation* and is in substantial compliance with all laws that may affect it in a material

- manner or which may be of a material consequence and will remain so throughout the term of this Agreement;
- c) It has the corporate capacity to enter into this Agreement and to perform and meet any and all duties, liabilities and obligations as may be required of it under this Agreement;
 - d) It is not a non-resident of Canada (as that term is defined under the Income Tax Act (Canada)) as of the date of this Agreement and that in the event the Owner is found to no longer be a non-resident of Canada, the Owner shall immediately notify the City, and it is agreed that the City may deduct from any or all annual grant payments such sum(s) as may be required by Canada Revenue Agency in order to meet the City's obligations as a payor and the Owner's obligations under the Income Tax Act (Canada) and other applicable laws.
 - e) The SSM CIP Per Door Grant Application(s) and all documents and information associated and attached thereto are, to the best of the Owner's knowledge and belief, true;
 - f) It has disclosed any and all funding for which it has applied for or received from any other government, agency, or other funding source, including other City Programs for the Affordable Housing Units, OR Tax Increments.

OWNER'S ACKNOWLEDGEMENTS

19. The Owner acknowledges that:
- a) The onus and responsibility is on the Owner at all times to assume all costs of development or redevelopment of the Lands and to apply for and obtain, at the Owner's expense, all approvals required from the City and all other agencies for the development or redevelopment of the Lands;
 - b) Nothing in this Agreement limits or fetters the City in exercising its statutory jurisdiction under the *Planning Act* or under any other legislative authority or by-law and that in the event the City decides to deny or oppose or appeal any such decision, that such action by the City is not in any manner limited by reason of the City entering into this Agreement;
 - c) Nothing in this Agreement is intended to impose or shall impose upon the City any duty or obligation to inspect or examine the Lands for compliance or non-compliance or to provide an opinion respecting any condition of rehabilitation or development;
 - d) Nothing in this Agreement is intended to be or shall be construed to be a representation by the City regarding compliance of the Lands with applicable environmental laws, regulations, policies, standards, permits or approvals, or other by-laws and policies of the City;
 - e) It is the Owner's sole responsibility to submit the required documents on an annual basis to verify the unit is still affordable.
 - f) If the Owner fails to request the Per Door Grant by December 31 of year in which final occupancy was issued, the City shall have no obligation to pay the Per Door Grant for the project that has been submitted under this program.

OWNER'S GENERAL OBLIGATIONS AND COVENANTS

- 20. The Owner shall provide the City with all documentation as may be reasonably requested by the City from time to time relating to the subject matter of this Agreement and the work in respect of the development or redevelopment of the Lands.
- 21. If any property tax grants or other assistance for affordable housing are applied for or received by the Owner, the Owner shall immediately disclose same to the City and agrees that the Per Door Grant may become repayable if the total grants exceed the expenses the owner has contributed to the project.
- 22. The Owner covenants to the City that the Project will not be voluntarily demolished by it, in whole or in part, prior to the termination of this Agreement.
- 23. The Owner shall provide the City with proof of all costs incurred to plan, design, approve and construct the Project and with all documentation, as may be reasonably requested by the City from time to time. The Owner grants to the City and its agents a license to enter the Lands, upon prior notice to the Owner and at any reasonable time for the purpose of conducting an inspection of all works being conducted and to confirm that the Owner is in compliance with the terms of this Agreement. The City and its agents shall enter the Lands at their own risk and, upon entering upon the Lands, shall not interfere with the development of the Lands or the Project.
- 24. The Owner shall ensure that the Lands are maintained in uncontaminated condition, and it shall not take any action or fail to take action that results in the Lands being contaminated during the term of this Agreement.

TENANCY OF AFFORDABLE HOUSING UNITS

25. The Owner shall be required to offer the Affordable Housing Units as follows:
- i. The rate that is published in the “Affordable Residential Units Bulletin” published by the Province of Ontario in the year for which the Per Door Grant is initially applied.

(collectively, the “**Eligibility Criteria**”)

26. In order to assist applicants to access the Affordable Housing Units, the Owner shall:
- a) take appropriate steps to enable members of the public to obtain information about accommodation in the Affordable Housing Units;
 - b) inform the applicants that the Project is in receipt of a Per Door Grant such that they can determine if there is an impact on their “trillium benefit” if any;
 - c) provide written information to applicants about the Eligibility Criteria and the policies and procedures of the Owner in relation to placement of applicants including any waitlist they may have and the transfer of tenants; and
 - d) not charge applicants any fee for providing the information or for receiving or processing their application for housing.
27. The Owner shall act diligently in filling vacant Affordable Housing Units such that units are continuously occupied (with the exception of vacancies to accommodate a change in tenancy). Any vacancy exceeding 30 days will need to be communicated to the City of Sault Ste. Marie Housing CIP Coordinator.

RENT INCREASES

28. During a tenancy, the Owner agrees, by virtue of this Agreement, not to increase the rent during the Affordability Period by more than the prevailing rental increase rate guideline published by the Province of Ontario
- a) Above guideline increases may be permitted, but must adhere to regulations as set out in the *Residential Tenancies Act, 2006*, but remain at the sole discretion of the City.
29. At unit turnover, the Owner may adjust the rent to the then current Affordability Level.
30. The Owner agrees to provide, within 2 business days’ of receiving a written request, a rent roll for the Affordable Housing Units.

ACCESSIBILITY

31. All actions that arise from the SSM CIP program will adhere to accessibility legislative framework that includes the Integrated Accessibility Standards Regulation of the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and the Ontario Building Code 2012 to the greatest extent possible. Additionally, as per its Accessibility Policy, the City of Sault Ste. Marie is committed to providing equal treatment to people with disabilities with respect to the use and benefit of City services, programs and goods in a manner that respects their dignity and that is equitable in relation to the broader public.

ANNUAL REPORTS

32. On an annual basis and as a pre-condition to the Owner receiving any Per Door Grant, and without which the City shall not be obligated to provide the Per Door Grant, the Owner shall provide an Annual Report, in the form attached as Schedule D to this Agreement, signed by a director or officer of the Owner certifying to the City that:
- a) the Owner, as named in this Agreement, is the full and proper name of the registered owner in fee simple of the Lands and the legal description herein is a proper legal description of the Lands;
 - b) The Owner is in possession and control of the Lands and that the holders of any mortgagees (if any) of the Lands have not taken or otherwise commenced to take any remedial actions they are entitled to by contract or at law to take possession or control of or over the Lands;
 - c) to the best of that officer’s or director’s knowledge, after due inquiry, the Owner is in compliance with the terms of this Agreement;
 - d) the Owner is a subsisting corporation which has not been dissolved;
 - e) the Owner has properly authorized this Agreement and passed all required resolutions and by-laws (if required in accordance with the terms of its constituting documents) for that purpose;
 - f) no construction liens or other claims have been registered on title to the premises as a result of the Owner’s development or redevelopment of the Lands;

- g) there are no outstanding arrears of municipal property taxes on the Lands as of the SSM CIP Per Door Grant Eligibility Date and in each subsequent year; and
- h) the Affordable Housing Units continue to be provided and occupied as required under this Agreement.

RECORDS and AUDITS

- 33. The Owner shall:
 - a) maintain financial records, consistent with generally accepted accounting principles, including, but not limited to, records related to rent collection and tenant Income and eligibility verification, in a form satisfactory to the City;
 - b) permit the City to inspect and copy such records at all reasonable times;
 - c) permit the City to conduct an audit or investigation of the Owner in respect of the Affordable Housing Units within of the Project; and
 - d) retain all such records that relate to the Project for not less than seven (7) years from the end of the respective Fiscal Year.
- 34. No provision of the Agreement will be construed so as to give the City any control whatsoever over the Owner's records.
- 35. The Owner shall provide the City with access to all information obtained by the Owner under this Agreement, and shall immediately provide verification of such information if requested by the City subject to compliance with all privacy laws of Canada.
- 36. The City may cause its employees or agents to conduct an audit, investigation or inquiry in relation to the Owner's Affordable Housing Units within the Project, and the Owner shall co-operate with the employees or agents of the City and provide full and free access to staff, projects, documents and records as determined by employees or agents of the City.
- 37. The Owner shall, for statistical purposes, supply information as required by the City from time-to-time, provided such information is reasonably available and in compliance with applicable privacy laws of Canada, as determined by the City.

CITY'S REPRESENTATIONS:

- 38. The City makes no representations as to the fitness of the Lands for the proposed Project nor that the Per Door Grant will offset any revenue loss(es) (the difference between market and affordable rent) experienced by the Owner for incorporation the Affordable Housing Units in the Project.
- 39. The City makes no representations nor does it provide any guarantees on the suitability of households selected from the Below Market Rent waitlist maintained by the District of Sault Ste. Marie Social Services Administration Board.

DEFAULT AND REMEDIES

- 40. The Owner is in default of this Agreement where it fails to comply with any of its obligations, covenants, or requirements established in this Agreement. Without limiting the generality of the foregoing, the Owner shall be deemed to be in default where the Owner:
 - a) fails to have all of the Affordable Housing Units occupied (with the exception of vacancies to accommodate a change in tenancy). Any vacancies exceeding 30 days will need to be communicated to the City of Sault Ste. Marie Housing CIP Coordinator.
 - b) fails to substantially comply with any City by-laws or site plan control agreements related to the development or redevelopment of the Lands;
 - c) allow taxes to fall into arrears;
 - d) materially misrepresents any fact, representation or warranty made herein by it;
 - e) fails to substantially perform or comply with any of the obligations contained in any other agreement entered into between the Owner and the City related to the development or redevelopment of the Lands;
 - f) makes an assignment for the benefit of creditors, or assigns in bankruptcy or takes the advantage in respect of their own affairs of any statute for relief in bankruptcy, moratorium, settlement with creditors, or similar relief of bankrupt or insolvent debtors, or if a receiving order is made against the Owner, or if the Owner is adjudged bankrupt or insolvent, or if a liquidator or receiver is appointed by reason of any actual or alleged insolvency, or any default of the Owner under any mortgage or other obligation, or if the Lands or interest of the Owner in the Lands becomes liable to be taken or sold by any creditors or under any writ of execution or other like process;

- g) cannot be contacted by the City over a period of greater than one (1) year for administrative matters or within 48 hours where an emergency or violation occurs upon the Lands;
 - h) Does not adhere to the condition set out under section 9 of this Agreement; or
 - i) fails to manage the Project adequately, as a prudent landlord would, as determined by the City acting reasonably.
41. Where the Owner is in default of this Agreement, the City shall, where practical, provide written notice of the default to the Owner. The Owner shall have thirty (30) days, or such lesser amount of time as is reasonable in the circumstances, to remedy (or to commence to undertake such actions as are necessary to remedy such default provided such actions are being diligently pursued by the Owner) the default to the satisfaction of the City within the time period prescribed herein. Where the default is not remedied to the satisfaction of the City, the City may exercise any remedy available at law and pursuant to this Agreement. Without limiting the generality of the foregoing, the City may:
- a) delay any Per Door Grant payment;
 - b) cancel any Per Door Grant payment;
 - c) audit the information (to the extent the default relates to such information) provided by the Owner to the City and any other information deemed relevant by the City to investigate the default and the Owner hereby agrees to provide all requested information in a timely fashion and to pay all costs of the audit;
 - d) require that the Owner repay all or any part of the Per Door Grant already provided to the Owner, plus interest; or
 - e) terminate this Agreement.
42. Overpayment or default repayment: The Owner acknowledges that the City is a municipal entity that can recoup funds owed by adding them to the Owner's municipal property taxes. In the event of any overpayment or default under the terms and conditions of this Agreement, the Owner agrees that the City can use the municipal property tax roll of the Lands to register the amount owed to the City by the Owner. If the amount added to the municipal property taxes remains unpaid, the City may take action to collect any amount added to the municipal property tax roll of the Lands under this provision in the same manner as outstanding taxes, including, but not limited to, applicable interest under the City's tax collection process and tax sales. Municipal taxes have priority lien status under the *Municipal Act*.

INDEMNITY

43. In the event that, as a result of the City exercising any of its remedies pursuant to this Agreement, there is no SSM CIP Per Door Grant or the SSM CIP Per Door Grant ceases or is delayed, the Owner agrees that notwithstanding any costs or expenses incurred by the Owner, the Owner shall not have any claim for compensation or reimbursement of these costs and expenses against the City and that the City is not liable to the Owner for losses, damages, interest, or claims which the Owner may bear for any reason whatsoever.
44. The Owner shall indemnify, save, defend and keep harmless from time to time and at all times, the City and its officers, employees, councillors, and agents from and against all claims, actions, causes of action, interest, demands, costs, charges, damages, expenses and loss made by any person arising directly or indirectly from:
- a) the City entering into this Agreement (however, same does not relieve the City of its obligations to abide by and perform its obligations set out herein); and
 - b) any failure by the Owner to fulfil its obligations under this Agreement.
45. The indemnities contained in this Agreement shall remain in force following termination or expiry of this Agreement.

INSURANCE

46. During the Term, the Owner shall provide and maintain the following insurance coverage:
- a) Commercial General Liability Insurance subject to limits of not less than \$5,000,000.00 for bodily injury, death and damage to property including loss of use thereof, which shall include insurance for the following:
 - (A) Premises and Operations Liability;
 - (B) Products and Completed Operations Liability;

- (C) Personal Injury Liability;
- (D) Elevator Liability, if applicable;
- (E) Contingent Employer's Liability;
- (F) Owner's and Contractor's Protective Liability;
- (G) Contractual Liability;
- (H) Severability of Interest Clause;
- (I) Liability with respect to non-owned licensed motor vehicles; and
- (J) Cross Liability,

and the Commercial General Liability insurance shall be in the name of the Owner and shall name the The Corporation of the City of Sault Ste. Marie as an additional insured thereunder;

- b) Broad Form Property Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder;
- c) Boiler and Machinery Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder; and
- d) Motor Vehicle Liability Insurance in respect to owned or leased licensed Motor Vehicles subject to a limit of not less than \$2,000,000.00 inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof.

47. All the above policies listed in subsection 46 shall name the City as mortgagee and first loss payee, contain an endorsement to provide the City with thirty (30) days prior written notice of cancellation or of material change that would diminish coverage. The Owner shall provide the City evidence of such insurance as the City may from time to time reasonably require.
48. The Owner shall furnish the City with copies of such policies or certificates of insurance as evidence of such insurance prior to execution of this Agreement and upon the anniversary date(s) of all applicable policies described herein.
49. The Owner may be required by the City to provide and maintain additional insurance coverage related to this Agreement's requirements, under the following circumstances:
- a) a change in the law; or
 - b) an increase in the value of the Project,

such that it would lead a prudent owner in similar circumstances to provide and maintain such additional insurance coverage.

50. Any approval by the City of any of the Owner's insurance policies shall not relieve the Owner of any responsibility hereunder.

DEBT DUE

51. If the Owner owes money to the City pursuant to this Agreement, such amount shall be a debt due to the City and the City may charge the Owner interest on any money owing at the then current interest rate charged by the Bank of Canada or the Canadian Consumer Price Index, whichever is highest, on accounts receivable.
52. If the Owner fails to repay any amount owing to the City under this Agreement, the City may deduct any unpaid amount from any money payable to the Owner by the City or exercise any of the default or overpayment remedies in section 42 of this Agreement.

NOTICES

53. Any notice or reporting required to be given by either party to the other shall be given in writing and delivered in person or by prepaid first class mail to:

in the case of the City to:

SSM CIP Coordinator,

Corporation of the City of Sault Ste. Marie

5th Floor Planning Department

99 Foster Drive.

Sault Ste. Marie, ON P6A 5X6

Telephone: 705-759-5368

in the case of the Owner to:

**

Telephone: **

COMPLIANCE WITH LEGISLATION

54. The Owner acknowledges and agrees to comply with applicable legislation including the *Ontario Human Rights Code*, the *Workplace Safety and Insurance Act*, the *Occupational Health and Safety Act*, the *Accessibility for Ontarians with Disabilities Act, 2005*, the *Personal Information Protection and Electronic Documents Act*, and *Municipal Freedom of Information and Protection of Privacy Act*, as applicable.
55. The Housing Provide & Proponent acknowledges that the City is bound by the *Municipal Freedom of Information and Privacy Act* and that any information provided to the City in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

GENERAL

56. **Laws of Province.** Any obligation in this Agreement is subject to the laws of the Province of Ontario and applicable by-laws of the City, and those laws and by-laws apply to the interpretation of this Agreement, and any reference to a statute or by-law in this Agreement includes any subsequent amendments or replacement and substitution of that statute or by-law.
57. **Registration.** The Owner acknowledges that the City shall register a Notice of this Agreement on title to the Lands immediately upon approval and execution of this Agreement by both parties. The Owner shall be responsible for the costs incurred in the preparation of this Agreement and for the costs of registering it.
58. **Costs.** The Owner is responsible for its own costs and expenses incurred in connection with the preparation, execution, enforcement and implementation of this Agreement.
59. **Assignment.** The Owner acknowledges and agrees that the City shall provide the SSM CIP Per Door Grant only to the Owner except as provided in this Section. The Owner may not assign this Agreement or any SSM CIP Per Door Grant amounts available except in accordance with the following:
- a) The Owner acknowledges and agrees that the City shall provide the SSM CIP Per Door Grant only to the Owner except as otherwise provided herein.

- b) Where all or a portion of the Lands are sold the remaining SSM CIP Per Door Grant and the provisions of this Agreement may be assigned by the Owner with the express written consent of the City acting reasonably in its sole discretion;
 - c) As a condition of the City's consent to assign this Agreement and all of the SSM CIP Per Door Grant, the Owner agrees to obtain from any purchaser an agreement, satisfactory to the City acting reasonably, whereby the purchaser shall assume the Owner's obligations pursuant to this Agreement with respect to all or a portion of the Lands being purchased, failing which the Owner shall continue to be bound by this Agreement, notwithstanding that it shall no longer be entitled to receive the remaining SSM CIP Grant amounts. To the extent that the purchaser is one or more condominium corporations, without limiting the foregoing, the City may request proof that the purchaser(s) has/have complied with any and all applicable provisions of the *Condominium Act, 1998*, S.O. 1998, c. 19 required in order for the condominium unit owners to be legally bound by the agreement to assume the Owner's obligations under this Agreement; and,
 - d) Where all of the SSM CIP Per Door Grant has been assigned, apportionment shall be as agreed to between the Owner and the purchaser(s) and must be satisfactory to the City in its sole discretion, acting reasonably. The parties acknowledge that individuals who purchase residential units or condominium units from the Owner shall not be entitled to SSM CIP Per Door Grant unless the Owner and the City agree in writing.
60. Joint and Several. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. If more than one person executes this Agreement the obligations of such persons hereunder shall be joint and several.
61. Invalidity of Provision of Agreement. If any provision of this Agreement should be found by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and this Agreement shall remain in full force and effect without the provision.
62. Time of the Essence. Time shall be of the essence in this Agreement.
63. Schedules. As hereinafter set out below, the following Schedules are attached to and form part of this Agreement:

Schedule "A" Description of Lands;

Schedule "B" Estimated Amount of SSM CIP Per Door Grant Payable

64. Amendment of Agreement. This Agreement may be amended on the mutual consent of the parties provided that such amendment shall be evidenced by a further written document.
65. Waiver. The failure of the City to insist on strict compliance with one or more of the terms of this Agreement shall not constitute a waiver of its right to enforce those terms at a later date. No provision of this Agreement shall be deemed to have been waived as a result of a breach by either Party of the provisions of this Agreement, unless such waiver is in writing and signed by the City. Any such waiver shall not be deemed a waiver for a subsequent breach of the same or any other provision of this Agreement.
66. Further assurances. The Owner will provide such further assurances as the City may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.
67. Rights and Remedies Cumulative. The rights and remedies of the City under this Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity. If the Owner:
- a) has failed to comply with any terms under any other agreement with the City;
 - b) has been provided with notice of such failure in accordance with the other agreement;
 - c) has failed to remedy the failure in accordance with the other agreement; and
 - d) such failure if continuing,

the City may suspend payment of funds under this Agreement for such period as the City deems appropriate.

68. Date of Agreement. This Agreement shall be signed by the authorized signing officers for the Owner, and by the authorized signing officer for the City. The effective date of this Agreement shall be the date first written above.
69. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Counterparts may be executed either in original, electronic pdf or telecopied form and the parties to this Agreement shall adopt any signatures received by email or receiving telecopier machine as original signatures of the parties.

IN WITNESS WHEREOF the parties duly execute this Agreement:

**

Per:

Name:

Title:

Name:

Title:

I/We have authority to bind the corporation

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Per:

Approved for Execution

Name:

Title:

Name:

Title:

We have authority to bind the Corporation

SAMPLE

Schedule "A"

The Lands:

PIN: **

Legal Description: **

SAMPLE

Schedule “B”

Estimated Amount of SSM CIP Per Door Grant Payable

This Schedule is intended as an example of how the SSM CIP Per Door Grant is calculated.

GUIDELINES FOR DETERMINING PER DOOR AMOUNT

Per Door Grant Incentive Rates

Housing Category	Precinct	Tenure Types	Maximum Grant Value (per unit)
Affordable	1	Purpose-Built Rental, Freehold (private and not-for-profit)	Bachelor: \$30,000 1 Bedroom: \$35,000 2 Bedroom: \$40,000 3+ Bedroom: \$45,000
	2 or 3	Purpose-Built Rental, Freehold (not-for-profit)	Bachelor: \$30,000 1 Bedroom: \$35,000 2 Bedroom: \$40,000 3+ Bedroom: \$45,000
Market Rate	1	Purpose-Built Rental, Freehold (private and not-for-profit)	\$20,000

The subject property(ies) is/are currently located in Precinct _____.

The tenure type of the property(ies) is/are _____.

The housing category of these units will be _____.

The unit type for each unit is as follows:

Unit 1: _____

Unit 2: _____

Unit 3: _____

Unit 4: _____

ESTIMATED TOTAL AMOUNT OF PER DOOR GRANT IS EQUAL TO: _____

Schedule "C" – Payment Request

To Be Filled Out Upon Completion of Project

AGREEMENT NO. _____

AGREEMENT HOLDER: _____

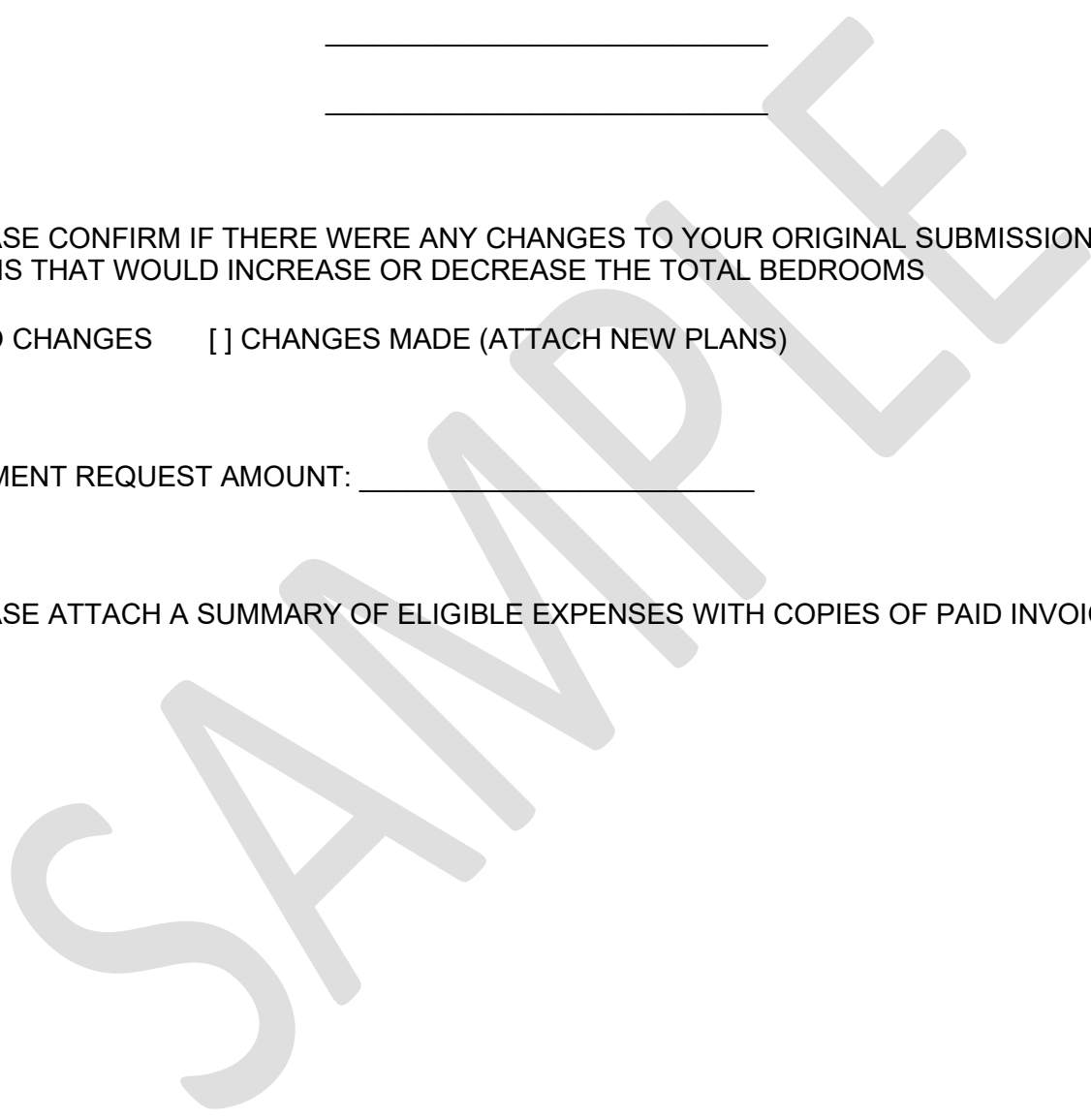
ELIGIBLE UNIT ADDRESSES: _____

PLEASE CONFIRM IF THERE WERE ANY CHANGES TO YOUR ORIGINAL SUBMISSION OF PLANS THAT WOULD INCREASE OR DECREASE THE TOTAL BEDROOMS

NO CHANGES CHANGES MADE (ATTACH NEW PLANS)

PAYMENT REQUEST AMOUNT: _____

PLEASE ATTACH A SUMMARY OF ELIGIBLE EXPENSES WITH COPIES OF PAID INVOICES:



Schedule “D” – Annual Report

- i) the Owner, as named in this Agreement, is the full and proper name of the registered owner in fee simple of the Lands and the legal description herein is a proper legal description of the Lands;
- j) The Owner is in possession and control of the Lands and that the holders of any mortgagees (if any) of the Lands have not taken or otherwise commenced to take any remedial actions they are entitled to by contract or at law to take possession or control of or over the Lands;
- k) to the best of that officer’s or director’s knowledge, after due inquiry, the Owner is in compliance with the terms of this Agreement;
- l) the Owner is a subsisting corporation which has not been dissolved;
- m) the Owner has properly authorized this Agreement and passed all required resolutions and by-laws (if required in accordance with the terms of its constituting documents) for that purpose;
- n) no construction liens or other claims have been registered on title to the premises as a result of the Owner’s development or redevelopment of the Lands;
- o) there are no outstanding arrears of municipal property taxes on the Lands as of the SSM CIP Per Door Grant Eligibility Date and in each subsequent year; and
- p) the Affordable Housing Units continue to be provided and occupied as required under this Agreement.
- q) As per the agreement please confirm the initial start date of your agreement in addition to the initial rent and current rent being charged for these units.

Date: _____

Signature of Agreement Holder

Printed Name: _____

Schedule "D"

Delegated Authority 2025-32

THIS AGREEMENT made pursuant to subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P.13, and dated as of _____ day of _____, 202*.

[NTD: to be registered as a Notice under s. 71]

BETWEEN:

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

(the "City")

-and-

**

(the "Owner" and if more than one person, collectively the "Owner")

WHEREAS:

- A.** On August 12, 2024, City Council approved Report A-10-24-CIP Housing Community Improvement Plan, and adopted the *City of Sault Ste. Marie Housing Improvement Plan* (the "**SSM CIP**") pursuant to the community improvement provisions of the *Planning Act* (Ontario), as amended;
- B.** The Owner is the registered Owner of land municipally known as *** and described in Schedule "A" of this Agreement (hereinafter referred to as the "**Lands**");
- C.** The Owner is constructing upon the Lands a residential development consisting of ** units, of which ** will be affordable (the "**Project**"), representing **% units within the development
- D.** The Owner applied to the City for an SSM CIP tax increment equivalent grant as provided for in the SSM CIP;
- E.** The total tax increment equivalent grant value is expected to be \$** and the Director of Planning or their designate has approved the Owner's application on certain conditions; and
- F.** As a condition of approval for the tax increment equivalent grant under the SSM CIP, the Owner is required by the City to enter into this Agreement;

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of:

- a) the premises, covenants and agreements to be observed, fulfilled and performed pursuant to this Agreement; and
- b) the conditional approval of the Owner's application for the SSM CIP TIEG by the City, subject to and in accordance with the terms and conditions hereinafter recorded in this Agreement,

the parties do hereby covenant and agree as follows:

DEFINITIONS

- 1. In this Agreement the following terms shall have the following meanings:
 - a) "**Affordable Housing Units**" mean the rental housing units within the Project that are rented at or below Affordability Levels for the duration of the Affordability Period.

- b) **"Affordability Level"** means the rent for an Affordable Housing Units, as stated in the, "Affordable Residential Units Bulletin" published by the Province of Ontario for the year the TIEG comes into effect for the year this agreement is signed.
 - c) **"Affordability Level Grant"** means the grant amount in relation to the Affordability Level: Grant will be determined based upon total affordable units and location within a precinct in the municipality that will specify the percentage of incremental tax increase from the development. These rates are published in Appendix A
 - d) **"Affordability Period"** means the period during which the Affordable Housing Units are rented at or below the Affordability Level.
 - e) **"Agreement"** shall mean this SSM CIP TIEG Agreement and all instruments supplemental hereto or any amendment or confirmation hereof; "herein", "hereof", "hereto", "hereunder" and similar expressions mean and refer to this Agreement and not to any particular Article, Section, Subsection or other subdivision; "Article", "Section", "Subsection" or other subdivision of this Agreement means and refers to the specified Article, Section, Subsection or other subdivision of this Agreement;
 - f) **"SSM CIP"** means the *City of Sault Ste. Marie Housing Improvement Plan* approved by the Sault Ste. Marie City Council on August 12, 2024 and adopted by By-law No. 2024-171 and By-law No. 2024-172;
 - g) **"SSM CIP TIEG"** means a property Tax Increment Equivalent Grant (TIEG) as contemplated by the SSM CIP to encourage and facilitate development of affordable housing properties by providing financial incentives to landowners;
 - h) **"SSM CIP TIEG Application"** means the application submitted by the Owner in respect of its request for a TIEG as contemplated by the SSM CIP for the development of the Project on the Lands;
 - i) **"SSM CIP TIEG Eligibility Date"** means the 31st of December in the calendar year of the first full year of post-construction reassessment by the Municipal Property Assessment Corporation notwithstanding the date when the Director of Planning or their designate approved the Owner's SSM CIP TIEG Application and the year in which Council approved the budget for payment of the TIEG to the Owner;
 - j) **"Tax Increment"** means the increase in municipal property taxes realized on the Lands that result from the development or redevelopment of the Lands. The Tax Increment shall be calculated **ONCE during the Term** as the difference between the municipal portion of property taxes levied on the Lands immediately after development or redevelopment of any portion of the Project on the Lands, as assessed by the Municipal Property Assessment Corporation, and the municipal portion of property taxes levied on the Lands in the calendar year the application for SSM CIP TIEG was made. If there has been an increase in assessment as a result of development or redevelopment, the tax increment shall also take into account any increase in the tax rate applicable to the Lands. Any claw back or capping, if applicable, will be considered as applicable to the municipal portion of the property tax;
 - k) **"Tax Increment Equivalent Grant (TIEG)"** means the annual grant equivalent allotted by Schedule A for the development over the course of the program.
2. All references to money amounts herein are, unless specifically otherwise stated, references to lawful money of Canada.
3. Nothing set out in this Agreement shall impose upon the City any obligation to monitor the proper application of any of the TIEG.

TERM

3. This Agreement shall commence on the date it is executed by all parties and shall terminate on the earlier of:
- a) the **** (**)** 20th anniversary of the SSM CIP TIEG Eligibility Date;
 - b) the date this Agreement is terminated by the City in accordance with and pursuant to the terms hereof.

AFFORDABLE HOUSING REQUIREMENTS

4. The Owner agrees to provide the following in the Project:
- a) Affordable Housing Units: Total of ****** units out of a possible ****** units.
 - b) Affordability Level: Rates in the "Affordable Residential Units Bulletin"
 - c) Affordability Level Grant: Increased Tax Increment * Corresponding Cell of Schedule B
 - d) Affordability Period: 20 years

TIEG AMOUNT

5. The TIEG shall take the form of an annual grant based on the increment of property tax resulting from the development or redevelopment of the Lands as determined by the Affordability Level Grant
6. Based on the Affordable Housing Units to be provided, the annual TIEG for the Project shall be equivalent to:

The percentage of Affordable Units by Precinct for the given year of the TIEG, multiplied by the Increment Tax Increase from the development
7. An estimate of the future Tax Increment is set out in Schedule "B" attached hereto. The parties acknowledge that the payment calculations are based on estimates only and that the administration of the TIEG shall be based on the Affordability Level Grant, the actual property assessed values and Tax Increment amount including any capping or claw-back amounts. The Owner shall pay the full property tax owing in each year. If the terms and conditions of this Agreement have been satisfied and the Owner has submitted the Payment Request and Annual Report, the Owner will be entitled to the TIEG.
8. The actual amount of each annual TIEG payment may be re-calculated to a lower amount in the event the City, in its discretion, acting reasonably, determines that the Tax Increment originally calculated for the purpose of the payment of the first annual TIEG has been reduced in subsequent years.
9. Notwithstanding anything to the contrary in this Agreement, the Affordability Level Grant shall remain unamended during the Term of this Agreement even if:
 - a) the actual rent and Affordability Level is lower than that which is required under this Agreement; or
 - b) the Tax Increment increases over the Term of this Agreement.

SSM CIP TIEG

10. Subject to the provisions of this Agreement and the SSM CIP, the City agrees to provide to the Owner the TIEG over a period of up to twenty (20) years from the SSM CIP TIEG Eligibility Date, for the purpose of reimbursing the Owner for a portion of the Tax Increment based on the calculation charts in Appendix A.

CONDITIONS OF THE TIEG

11. The TIEG is conditional upon:
 - a) the Owner being in compliance with all material provisions of this Agreement;
 - b) The Project being complete and having been issued a Final Occupancy Permit from the City's Building Division;
 - c) Final building inspection having taken place and all deficiencies having been addressed, to the satisfaction of the City of Sault Ste. Marie, which includes no outstanding work orders and/or orders or requests to comply from any City department or other regulatory authority in respect of the initial development of the Project and the business of the Owner to the extent it relates directly to and in respect of the Project;
 - d) The City being satisfied that there are no liens, claims or litigation in respect of the Project, or in the event of any such lien, claims or litigation the Owner is, in good faith, disputing same;
 - e) the Owner and the Lands shall adhere to all laws, regulations, and City by-laws; and,
 - f) Initial and annual confirmation/reporting being completed and the City being satisfied that the Affordable Housing Units are being provided as required under this Agreement.

ASSESSMENT REQUIREMENTS

12. As it relates to the assessment of the Lands, the Owner shall have requested that the Lands be assessed by the Municipal Property Assessment Corporation and that the revised assessment be added to the Tax Roll of the City, and demonstrate to the satisfaction of the City, acting reasonably, that the development or redevelopment of the Lands has resulted in the occurrence of a Tax Increment.

ADDITIONAL INFORMATION

13. The City may request any additional documentation or proof of the conditions being met and may request a third-party review of any matter and in each instance the City shall act reasonably in making such request. Any third-party review shall be at the cost of the Owner, provided such costs are reasonable. Notwithstanding the performance of a review or the payment of any form of SSM CIP TIEG pursuant to this Agreement, the City shall not be estopped from having such additional

reviews conducted as it may reasonably require from time to time but in any event, not more than twice per calendar year during the above noted period.

PAYMENT PROCESS

14. Yearly, and subject to the conditions for the TIEG being met, the Owner shall provide:
 - a) The Payment Request to the City for the payment of the TIEG, in the form attached as Schedule C; and
 - b) the Annual Report to the City confirming conditions have been met, in the form attached as Schedule D.
15. Once the information/documentation is received by the City and verified to its satisfaction, acting reasonably, the City, prior to paying the TIEG, shall confirm the ongoing eligibility and advise the Owner of the amount and payment schedule of the TIEG. The decision of the City regarding the eligibility and TIEG is final and not subject to review by any court or other adjudicative body, absent manifest error.
16. Payment shall be issued by way of an EFT, or if deemed necessary by, cheque within a reasonable time following confirmation by staff of the eligibility of the Per Door Grant.

LIMITATIONS

17. No costs incurred by the Owner in respect of the development or redevelopment of the Lands Lands except those listed below in section 18 shall be eligible for a TIEG under this Agreement.
18. Eligible Costs used to determine the maximum TIEG amount will consist of the following:
 - i. Construction Costs including expenses related to building or renovating the structures, including materials, labour, and equipment.
 - ii. Soft Costs that include architectural and engineering design fees
 - iii. Site Work Costs including expenses for preparing the site for construction, including excavation, grading, and landscaping

The City of Sault Ste. Marie reserves the right to make a final decision on all costs submitted as proof of the development.
19. In the event conditions as contemplated by an SSM CIP TIEG Application are not met including if the Project is not completed, the City shall not be obligated to pay a grant or any portion thereof, notwithstanding that there may be an increase in assessed value of the Lands.
20. The TIEG is not payable by the City until such time as all assessment appeals relating to the value of the Lands before the additional assessment or as to the additional assessment have been filed and decided.
21. The TIEG herein shall not apply after the 20 anniversary of the SSM CIP TIEG Effective Date. The City does not guarantee the amount of the TIEG that will be paid since the amount is contingent on the post-development assessment, which is only completed after this Agreement is signed.

OWNER'S REPRESENTATIONS AND WARRANTIES

22. The Owner represents and warrants that:
 - a) It is the registered owner of the Lands;
 - b) It has been duly incorporated as a corporation and is in good standing under the *provincial or federal legislation* and is in substantial compliance with all laws that may affect it in a material manner or which may be of a material consequence and will remain so throughout the term of this Agreement;
 - c) It has the corporate capacity to enter into this Agreement and to perform and meet any and all duties, liabilities and obligations as may be required of it under this Agreement;
 - d) It is not a non-resident of Canada (as that term is defined under the Income Tax Act (Canada)) as of the date of this Agreement and that in the event the Owner is found to no longer be a non-resident of Canada, the Owner shall immediately notify the City, and it is agreed that the City may deduct from any or all annual grant payments such sum(s) as may be required by Canada Revenue Agency in order to meet the City's obligations as a payor and the Owner's obligations under the Income Tax Act (Canada) and other applicable laws.
 - e) The SSM CIP TIEG Application(s) and all documents and information associated and attached thereto are, to the best of the Owner's knowledge and belief, true;
 - f) It has disclosed any and all funding for which it has applied for or received from any other government, agency, or other funding source, including other City Programs for the Affordable Housing Units,

OWNER'S ACKNOWLEDGEMENTS

23. The Owner acknowledges that:

- a) The onus and responsibility is on the Owner at all times to assume all costs of development or redevelopment of the Lands and to apply for and obtain, at the Owner's expense, all approvals required from the City and all other agencies for the development or redevelopment of the Lands;
- b) Nothing in this Agreement limits or fetters the City in exercising its statutory jurisdiction under the *Planning Act* or under any other legislative authority or by-law and that in the event the City decides to deny or oppose or appeal any such decision, that such action by the City is not in any manner limited by reason of the City entering into this Agreement;
- c) Nothing in this Agreement is intended to impose or shall impose upon the City any duty or obligation to inspect or examine the Lands for compliance or non-compliance or to provide an opinion respecting any condition of rehabilitation or development;
- d) Nothing in this Agreement is intended to be or shall be construed to be a representation by the City regarding compliance of the Lands with applicable environmental laws, regulations, policies, standards, permits or approvals, or other by-laws and policies of the City;
- e) It is the Owner's sole responsibility to submit the required documents on an annual basis to request the TIEG and that nothing in this Agreement is intended to require the City to actively offer the annual TIEG; and
- f) If the Owner fails to request the annual TIEG by December 31 of the following year for which the TIEG is being requested, the City shall have no obligation to pay the TIEG for that year.

OWNER'S GENERAL OBLIGATIONS AND COVENANTS

24. The Owner shall provide the City with all documentation as may be reasonably requested by the City from time to time relating to the subject matter of this Agreement and the work in respect of the development or redevelopment of the Lands.
25. If any property tax grants or other assistance for affordable housing are applied for or received by the Owner, the Owner shall immediately disclose same to the City and agrees that the TIEG may be reduced if the total grants exceed the expenses the owner has contributed to the project.
26. The Owner covenants to the City that the Project will not be voluntarily demolished by it, in whole or in part, prior to the termination of this Agreement.
27. The Owner shall provide the City with proof of all costs incurred to plan, design, approve and construct the Project and with all documentation, as may be reasonably requested by the City from time to time. The Owner grants to the City and its agents a license to enter the Lands, upon prior notice to the Owner and at any reasonable time for the purpose of conducting an inspection of all works being conducted and to confirm that the Owner is in compliance with the terms of this Agreement. The City and its agents shall enter the Lands at their own risk and, upon entering upon the Lands, shall not interfere with the development of the Lands or the Project.
28. The Owner shall ensure there are no liens or other claims outstanding in respect of the Lands at any time, or if any lien is registered on title to the Lands or a claim is filed or made against the Owner, the Owner shall take such actions as necessary to defend against such lien or claim, to have the lien deleted or discharged from title or such claim withdrawn or dismissed. The Owner shall, from time to time, report to the City with respect to such matters.
29. The Owner shall ensure that the Lands are maintained in uncontaminated condition, and it shall not take any action or fail to take action that results in the Lands being contaminated during the term of this Agreement.

TENANCY OF AFFORDABLE HOUSING UNITS

30. The Owner shall be required to offer the Affordable Housing Units as follows:
 - i. The rate that is published in the "Affordable Residential Units Bulletin" published by the Province of Ontario in the year for which the TIEG is initially applied.

(collectively, the "**Eligibility Criteria**")

31. In order to assist applicants to access the Affordable Housing Units, the Owner shall:
 - a) take appropriate steps to enable members of the public to obtain information about accommodation in the Affordable Housing Units;
 - b) inform the applicants that the Project is in receipt of a TIEG such that they can determine if there is an impact on their "trillium benefit" if any;
 - c) provide written information to applicants about the Eligibility Criteria and the policies and procedures of the Owner in relation to placement of applicants including any waitlist they may have and the transfer of tenants; and
 - d) not charge applicants any fee for providing the information or for receiving or processing their application for housing.

32. The Owner shall act diligently in filling vacant Affordable Housing Units such that units are continuously occupied (with the exception of vacancies for brief periods to accommodate a change in tenancy).

RENT INCREASES

33. During a tenancy, the Owner agrees, by virtue of this Agreement, not to increase the rent during the Affordability Period by more than the prevailing rental increase rate guideline published by the Province of Ontario
- a) Above guideline increases may be permitted, but must adhere to regulations as set out in the *Residential Tenancies Act, 2006*, but remain at the sole discretion of the City.
34. At unit turnover, the Owner may adjust the rent to the then current Affordability Level.
35. The Owner agrees to provide, within 2 business days' of receiving a written request, a rent roll for the Affordable Housing Units.

ACCESSIBILITY

36. All actions that arise from the SSM CIP program will adhere to accessibility legislative framework that includes the Integrated Accessibility Standards Regulation of the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and the Ontario Building Code 2012 to the greatest extent possible. Additionally, as per its Accessibility Policy, the City of Sault Ste. Marie is committed to providing equal treatment to people with disabilities with respect to the use and benefit of City services, programs and goods in a manner that respects their dignity and that is equitable in relation to the broader public.

ANNUAL REPORTS

37. On an annual basis and as a pre-condition to the Owner receiving any annual TIEG, and without which the City shall not be obligated to provide the TIEG, the Owner shall provide an Annual Report, in the form attached as Schedule D to this Agreement, signed by a director or officer of the Owner certifying to the City that:
- a) the Owner, as named in this Agreement, is the full and proper name of the registered owner in fee simple of the Lands and the legal description herein is a proper legal description of the Lands;
- b) The Owner is in possession and control of the Lands and that the holders of any mortgagees (if any) of the Lands have not taken or otherwise commenced to take any remedial actions they are entitled to by contract or at law to take possession or control of or over the Lands;
- c) to the best of that officer's or director's knowledge, after due inquiry, the Owner is in compliance with the terms of this Agreement;
- d) the Owner is a subsisting corporation which has not been dissolved;
- e) the Owner has properly authorized this Agreement and passed all required resolutions and by-laws (if required in accordance with the terms of its constituting documents) for that purpose;
- f) no construction liens or other claims have been registered on title to the premises as a result of the Owner's development or redevelopment of the Lands;
- g) there are no outstanding arrears of municipal property taxes on the Lands as of the SSM CIP TIEG Eligibility Date and in each subsequent year; and
- h) the Affordable Housing Units continue to be provided and occupied as required under this Agreement.

RECORDS and AUDITS

38. The Owner shall:
- a) maintain financial records, consistent with generally accepted accounting principles, including, but not limited to, records related to rent collection and tenant Income and eligibility verification, in a form satisfactory to the City;
- b) permit the City to inspect and copy such records at all reasonable times;
- c) permit the City to conduct an audit or investigation of the Owner in respect of the Affordable Housing Units within of the Project; and
- d) retain all such records that relate to the Project for not less than seven (7) years from the end of the respective Fiscal Year.

39. No provision of the Agreement will be construed so as to give the City any control whatsoever over the Owner's records.
40. The Owner shall provide the City with access to all information obtained by the Owner under this Agreement, and shall immediately provide verification of such information if requested by the City subject to compliance with all privacy laws of Canada.
41. The City may cause its employees or agents to conduct an audit, investigation or inquiry in relation to the Owner's Affordable Housing Units within the Project, and the Owner shall co-operate with the employees or agents of the City and provide full and free access to staff, projects, documents and records as determined by employees or agents of the City.
42. The Owner shall, for statistical purposes, supply information as required by the City from time-to-time, provided such information is reasonably available and in compliance with applicable privacy laws of Canada, as determined by the City.

CITY'S REPRESENTATIONS:

43. The City makes no representations as to the fitness of the Lands for the proposed Project nor that the TIEG will offset any revenue loss(es) (the difference between market and affordable rent) experienced by the Owner for incorporation the Affordable Housing Units in the Project.
44. The City makes no representations nor does it provide any guarantees on the suitability of households selected from the Below Market Rent waitlist.

DEFAULT AND REMEDIES

45. The Owner is in default of this Agreement where it fails to comply with any of its obligations, covenants, or requirements established in this Agreement. Without limiting the generality of the foregoing, the Owner shall be deemed to be in default where the Owner:
 - a) fails to have all of the Affordable Housing Units occupied (with the exception of vacancies for brief period to accommodate a change in tenancy). Any vacancies exceeding 30 days will need to be communicated to the City of Sault Ste. Marie Housing CIP Coordinator.
 - b) fails to substantially comply with any City by-laws or site plan control agreements related to the development or redevelopment of the Lands;
 - c) allows taxes to fall into arrears;
 - d) materially misrepresents any fact, representation or warranty made herein by it;
 - e) fails to substantially perform or comply with any of the obligations contained in any other agreement entered into between the Owner and the City related to the development or redevelopment of the Lands;
 - f) makes an assignment for the benefit of creditors, or assigns in bankruptcy or takes the advantage in respect of their own affairs of any statute for relief in bankruptcy, moratorium, settlement with creditors, or similar relief of bankrupt or insolvent debtors, or if a receiving order is made against the Owner, or if the Owner is adjudged bankrupt or insolvent, or if a liquidator or receiver is appointed by reason of any actual or alleged insolvency, or any default of the Owner under any mortgage or other obligation, or if the Lands or interest of the Owner in the Lands becomes liable to be taken or sold by any creditors or under any writ of execution or other like process;
 - g) cannot be contacted by the City over a period of greater than one (1) year or within 48 hours where an emergency or violation occurs upon the Lands;
 - h) Does not adhere to the condition set out under section 11 of this Agreement; or
 - i) fails to manage the Project adequately, as a prudent landlord would, as determined by the City acting reasonably.
46. Where the Owner is in default of this Agreement, the City shall, where practical, provide written notice of the default to the Owner. The Owner shall have thirty (30) days, or such lesser amount of time as is reasonable in the circumstances, to remedy (or to commence to undertake such actions as are necessary to remedy such default provided such actions are being diligently pursued by the Owner) the default to the satisfaction of the City within the time period prescribed herein. Where the default is not remedied to the satisfaction of the City, the City may exercise any remedy available at law and pursuant to this Agreement. Without limiting the generality of the foregoing, the City may:
 - a) delay any TIEG payment;
 - b) cancel any or all TIEG payment;
 - c) audit the information (to the extent the default relates to such information) provided by the Owner to the City and any other information deemed relevant by the City to investigate the default and the Owner hereby agrees to provide all requested information in a timely fashion and to pay all costs of the audit;
 - d) require that the Owner repay all or any part of the TIEG already provided to the Owner, plus interest; and

- e) terminate this Agreement.
47. Overpayment or default repayment: The Owner acknowledges that the City is a municipal entity that can recoup funds owed by adding them to the Owner's municipal property taxes. In the event of any overpayment or default under the terms and conditions of this Agreement, the Owner agrees that the City can use the municipal property tax roll of the Lands to register the amount owed to the City by the Owner. If the amount added to the municipal property taxes remains unpaid, the City may take action to collect any amount added to the municipal property tax roll of the Lands under this provision in the same manner as outstanding taxes, including, but not limited to, applicable interest under the City's tax collection process and tax sales. Municipal taxes have priority lien status under the *Municipal Act*.

INDEMNITY

48. In the event that, as a result of the City exercising any of its remedies pursuant to this Agreement, there is no SSM CIP TIEG or the SSM CIP TIEG ceases or is delayed, the Owner agrees that notwithstanding any costs or expenses incurred by the Owner, the Owner shall not have any claim for compensation or reimbursement of these costs and expenses against the City and that the City is not liable to the Owner for losses, damages, interest, or claims which the Owner may bear for any reason whatsoever.
49. The Owner shall indemnify, save, defend and keep harmless from time to time and at all times, the City and its officers, employees, councillors, and agents from and against all claims, actions, causes of action, interest, demands, costs, charges, damages, expenses and loss made by any person arising directly or indirectly from:
- a) the City entering into this Agreement (however, same does not relieve the City of its obligations to abide by and perform its obligations set out herein); and
 - b) any failure by the Owner to fulfil its obligations under this Agreement.
50. The indemnities contained in this Agreement shall remain in force following termination or expiry of this Agreement.

INSURANCE

51. During the Term, the Owner shall provide and maintain the following insurance coverage:
- a) Commercial General Liability Insurance subject to limits of not less than \$5,000,000.00 for bodily injury, death and damage to property including loss of use thereof, which shall include insurance for the following:
 - (A) Premises and Operations Liability;
 - (B) Products and Completed Operations Liability;
 - (C) Personal Injury Liability;
 - (D) Elevator Liability, if applicable;
 - (E) Contingent Employer's Liability;
 - (F) Owner's and Contractor's Protective Liability;
 - (G) Contractual Liability;
 - (H) Severability of Interest Clause;
 - (I) Liability with respect to non-owned licensed motor vehicles; and
 - (J) Cross Liability,

and the Commercial General Liability insurance shall be in the name of the Owner and shall name 'The Corporation of the City of Sault Ste. Marie' as an additional insured thereunder;
 - b) Broad Form Property Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full

- replacement cost of the building and contents and including extra expense coverage. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder;
- c) Boiler and Machinery Insurance upon the lands, including building, building equipment and supplies utilized in the operation of the premises in an amount not less than the full replacement cost of the building and contents and including extra expense coverage. Such insurance shall preclude subrogation claims by the Insurer against anyone insured thereunder; and
 - d) Motor Vehicle Liability Insurance in respect to owned or leased licensed Motor Vehicles subject to a limit of not less than \$2,000,000.00 inclusive per occurrence for bodily injury, death and damage to property including loss of use thereof.

- 52. All the above policies listed in subsection 511 shall name the City as mortgagee and first loss payee, contain an endorsement to provide the City with thirty (30) days prior written notice of cancellation or of material change that would diminish coverage. The Owner shall provide the City evidence of such insurance as the City may from time to time reasonably require.
- 53. The Owner shall furnish the City with copies of such policies or certificates of insurance as evidence of such insurance prior to execution of this Agreement and upon the anniversary date(s) of all applicable policies described herein.
- 54. The Owner may be required by the City to provide and maintain additional insurance coverage related to this Agreement's requirements, under the following circumstances:
 - a) a change in the law; or
 - b) an increase in the value of the Project,

such that it would lead a prudent owner in similar circumstances to provide and maintain such additional insurance coverage.

- 55. Any approval by the City of any of the Owner's insurance policies shall not relieve the Owner of any responsibility hereunder.

DEBT DUE

- 56. If the Owner owes money to the City pursuant to this Agreement, such amount shall be a debt due to the City and the City may charge the Owner interest on any money owing at the then current interest rate charged by the Bank of Canada or the Canadian Consumer Price Index Index, whichever is highest, on accounts receivable.
- 57. If the Owner fails to repay any amount owing to the City under this Agreement, the City may deduct any unpaid amount from any money payable to the Owner by the City.

NOTICES

- 37. Any notice or reporting required to be given by either party to the other shall be given in writing and delivered in person or by prepaid first class mail to:

in the case of the City to:

SSM CIP Coordinator,

Corporation of the City of Sault Ste. Marie

5th Floor Planning Department

99 Foster Drive.

Sault Ste. Marie, ON P6A 5X6

Telephone: 705-759-5368

in the case of the Owner to:

**

Telephone: **

COMPLIANCE WITH LEGISLATION

58. The Owner acknowledges and agrees to comply with applicable legislation including the *Ontario Human Rights Code*, the *Workplace Safety and Insurance Act*, the *Occupational Health and Safety Act*, the *Accessibility for Ontarians with Disabilities Act, 2005*, the *Personal Information Protection and Electronic Documents Act*, and *Municipal Freedom of Information and Protection of Privacy Act*, as applicable.
59. The Housing Provide & Proponent acknowledges that the City is bound by the *Municipal Freedom of Information and Privacy Act* and that any information provided to the City in connection with the Project or otherwise in connection with the Agreement may be subject to disclosure in accordance with that Act.

GENERAL

60. Laws of Province. Any obligation in this Agreement is subject to the laws of the Province of Ontario and applicable by-laws of the City, and those laws and by-laws apply to the interpretation of this Agreement, and any reference to a statute or by-law in this Agreement includes any subsequent amendments or replacement and substitution of that statute or by-law.
61. Registration. The Owner acknowledges that the City shall register a Notice of this Agreement on title to the Lands immediately upon approval and execution of this Agreement by both parties. The Owner shall be responsible for the costs incurred in the preparation of this Agreement and for the costs of registering it.
62. Costs. The Owner is responsible for its own costs and expenses incurred in connection with the preparation, execution, enforcement and implementation of this Agreement.
63. Assignment. The Owner acknowledges and agrees that the City shall provide the SSM CIP TIEG only to the Owner except as provided in this Section. The Owner may not assign this Agreement or any SSM CIP TIEG amounts available except in accordance with the following:
- a) The Owner acknowledges and agrees that the City shall provide the SSM CIP TIEG only to the Owner except as otherwise provided herein and that where the Owner ceases to own the Lands or any part thereof for any reason, the City shall cease to provide the remaining SSM CIP TIEG to the Owner;
 - b) Where all or a portion of the Lands are sold the remaining SSM CIP TIEG and the provisions of this Agreement may be assigned by the Owner with the express written consent of the City acting reasonably in its sole discretion;
 - c) As a condition of the City's consent to assign this Agreement and all or part of the remaining SSM CIP TIEG, the Owner agrees to obtain from any purchaser an agreement, satisfactory to the City acting reasonably, whereby the purchaser shall assume the Owner's obligations pursuant to this Agreement with respect to all or a portion of the Lands being purchased, failing which the Owner shall continue to be bound by this Agreement, notwithstanding that it shall no longer be entitled to receive the remaining SSM CIP TIEG amounts. To the extent that the purchaser is one or more condominium corporations, without limiting the foregoing, the City may request proof that the purchaser(s) has/have complied with any and all applicable provisions of the *Condominium Act, 1998*, S.O. 1998, c. 19 required in order for the condominium unit owners to be legally bound by the agreement to assume the Owner's obligations under this Agreement; and,
 - d) Where all or part of the SSM CIP TIEG has been assigned, apportionment shall be as agreed to between the Owner and the purchaser(s) and must be satisfactory to the City in its sole discretion, acting reasonably. The parties acknowledge that individuals who purchase residential units or condominium units from the Owner shall not be entitled to SSM CIP TIEG unless the Owner and the City agree in writing.
64. Joint and Several. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. If more than one person executes this Agreement the obligations of such persons hereunder shall be joint and several.
65. Invalidity of Provision of Agreement. If any provision of this Agreement should be found by a court of competent jurisdiction to be illegal, invalid or unenforceable, such provision shall not apply and this Agreement shall remain in full force and effect without the provision.

66. Time of the Essence. Time shall be of the essence in this Agreement.

67. Schedules. As hereinafter set out below, the following Schedules are attached to and form part of this Agreement:

Schedule "A" Description of Lands;

Schedule "B" Estimated Future Property Tax Increment and Annual SSM CIP TIEG Payable

68. Amendment of Agreement. This Agreement may be amended on the mutual consent of the parties provided that such amendment shall be evidenced by a further written document.

69. Waiver. The failure of the City to insist on strict compliance with one or more of the terms of this Agreement shall not constitute a waiver of its right to enforce those terms at a later date. No provision of this Agreement shall be deemed to have been waived as a result of a breach by either Party of the provisions of this Agreement, unless such waiver is in writing and signed by the City. Any such waiver shall not be deemed a waiver for a subsequent breach of the same or any other provision of this Agreement.

70. Further assurances. The Owner will provide such further assurances as the City may request from time to time with respect to any matter to which the Agreement pertains, and will otherwise do or cause to be done all acts or things necessary to implement and carry into effect the terms and conditions of the Agreement to their full extent.

71. Rights and Remedies Cumulative. The rights and remedies of the City under this Agreement are cumulative and are in addition to, and not in substitution for, any of its rights and remedies provided by law or in equity. If the Owner:

- a) has failed to comply with any terms under any other agreement with the City;
- b) has been provided with notice of such failure in accordance with the other agreement;
- c) has failed to remedy the failure in accordance with the other agreement; and
- d) such failure if continuing,

the City may suspend payment of funds under this Agreement for such period as the City deems appropriate.

72. Date of Agreement. This Agreement shall be signed by the authorized signing officers for the Owner, and by the authorized signing officer for the City. The effective date of this Agreement shall be the date first written above.

73. Counterparts. This Agreement may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original and all of which together shall constitute one and the same agreement. Counterparts may be executed either in original, electronic pdf or telecopied form and the parties to this Agreement shall adopt any signatures received by email or receiving telecopier machine as original signatures of the parties.

74. Should the CIP By-law or are be dissolved or revoked by Council all agreements will be terminated forthwith without further payment

IN WITNESS WHEREOF the parties duly execute this Agreement:

**

Per:

Name:

Title:

Name:

Title:

I/We have authority to bind the corporation

THE CORPORATION OF THE CITY OF SAULT STE. MARIE

Per:

Approved for Execution

Name:

Title:

Name:

Title:

We have authority to bind the Corporation

Schedule "A"

The Lands:

PIN: **

Legal Description: **

SAMPLE

Schedule "B"

Estimated Future Property Tax Increment and Annual SSM CIP TIEG Payable

This Schedule is intended as an example of how the SSM CIP TIEG is calculated.

Current Assessment and Property Tax Information

The subject property is currently assessed as _____. According to the Municipal Property Assessment Corporation (MPAC), the assessed value of the subject property based on January 1, 20** is \$** and the 20** phased-in assessment for the subject property is \$**. Based on this assessment, the 20** property taxes were \$** (according to the City of Sault Ste. Marie Tax Bill). This is comprised of a \$** municipal levy and a \$** education levy.

Projected Year One Annual Property Taxes

Based on a post-development assessment value of \$**, prepared by **, as submitted as part of the application, the projected annual property taxes for the first year after development of the proposed subject property are: \$**.

The SSM CIP TIEG will be based on the increase in municipal portion of the property taxes and is estimated to be approximately \$** annually or \$** allowing for tax increases over the **-year grant period. This amount represents an approximation based on estimated future assessed values and taxes. The final amount of the SSM CIP TIEG will be based on actual revised assessment following completion (provided by the Municipal Property Assessment Corporation) and annual tax rates.

It is important to note that the Tax Increment is only an estimate and provides guidance on the order of magnitude of the possible payment under the assumption that the Project would be completed, reassessed and taxes levied and paid in this period. The tax rates and all of the assessment valuation parameters are held constate for illustration purposes. In practice the assessed value would likely increase reflecting increasing property values. As well, the would likely be some increases in the annual municipal levy during the projection period.

The administration of the TIEG would require that any TIEG to be paid be based on the actual Municipal Property Assessment Corporation (MPAC) property assessment (including any resolution of appeals) of improved properties. The prevailing tax rate would be applied and only after taxers are paid in full for one year and only when the City is satisfied that all terms and conditions of this Agreement have been met would the TIEG be issued. The maximum TIEG would be capped at the municipal share of the increase in property taxes over the pre-development municipal property taxes paid.

In the administration of this grant, the calculation would be done each year based on the new assessment, tax rate, taxes paid and actual municipal Tax Increment to establish the actual annual TIEG payment.

Schedule "C" – Payment Request

To Be Filled Out Upon Completion of Project

AGREEMENT NO. _____

AGREEMENT HOLDER: _____

ELIGIBLE UNIT ADDRESSES: _____

PAYMENT REQUEST AMOUNT: _____

IF THIS IS YOUR FIRST YEAR PLEASE ATTACH A SUMMARY OF ELIGIBLE EXPENSES WITH COPIES OF PAID INVOICES:

SAMPLE

Schedule "D" – Annual Report

- i) the Owner, as named in this Agreement, is the full and proper name of the registered owner in fee simple of the Lands and the legal description herein is a proper legal description of the Lands;
- j) The Owner is in possession and control of the Lands and that the holders of any mortgagees (if any) of the Lands have not taken or otherwise commenced to take any remedial actions they are entitled to by contract or at law to take possession or control of or over the Lands;
- k) to the best of that officer's or director's knowledge, after due inquiry, the Owner is in compliance with the terms of this Agreement;
- l) the Owner is a subsisting corporation which has not been dissolved;
- m) the Owner has properly authorized this Agreement and passed all required resolutions and by-laws (if required in accordance with the terms of its constituting documents) for that purpose;
- n) no construction liens or other claims have been registered on title to the premises as a result of the Owner's development or redevelopment of the Lands;
- o) there are no outstanding arrears of municipal property taxes on the Lands as of the SSM CIP TIEG Eligibility Date and in each subsequent year; and
- p) the Affordable Housing Units continue to be provided and occupied as required under this Agreement.
- q) As per the agreement please confirm the initial start date of your agreement in addition to the initial rent and current rent being charged for these units (If necessary attach a summary sheet of units).

SAMPLE

Appendix “A” – TIEG Rebate Rates

CITY OF SAULT STE. MARIE: APPROVED HOUSING TIEG STRUCTURE

PRECINCT 1: PERCENTAGE OF PROPERTY TAX (MUNICIPAL PORTION) REBATED

Affordable Units (%) ▶	None	1-9%	10-19%	20-29%	30-39%	40-49%	50-59%	60-69%	70-79%	80-89%	90-100%
Year 1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 2	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 3	75%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 4	50%	75%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 5	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%	100%
Year 6	0%	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%
Year 7	0%	0%	25%	50%	100%	100%	100%	100%	100%	100%	100%
Year 8	0%	0%	0%	25%	75%	100%	100%	100%	100%	100%	100%
Year 9	0%	0%	0%	0%	50%	75%	100%	100%	100%	100%	100%
Year 10	0%	0%	0%	0%	25%	50%	75%	100%	100%	100%	100%
Year 11	0%	0%	0%	0%	0%	25%	50%	100%	100%	100%	100%
Year 12	0%	0%	0%	0%	0%	0%	25%	75%	100%	100%	100%
Year 13	0%	0%	0%	0%	0%	0%	0%	50%	100%	100%	100%
Year 14	0%	0%	0%	0%	0%	0%	0%	25%	75%	100%	100%
Year 15	0%	0%	0%	0%	0%	0%	0%	0%	50%	100%	100%
Year 16	0%	0%	0%	0%	0%	0%	0%	0%	25%	75%	100%
Year 17	0%	0%	0%	0%	0%	0%	0%	0%	0%	50%	75%
Year 18	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%	50%
Year 19	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%
Year 20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Length (Years)	5	6	7	8	10	11	12	14	16	18	19

PRECINCT 2: PERCENTAGE OF PROPERTY TAX (MUNICIPAL PORTION) REBATED

Affordable Units (%) ▶	None	1-9%	10-19%	20-29%	30-39%	40-49%	50-59%	60-69%	70-79%	80-89%	90-100%
Year 1	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 2	75%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 3	50%	75%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 4	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%	100%
Year 5	0%	25%	50%	75%	100%	100%	100%	100%	100%	100%	100%
Year 6	0%	0%	25%	50%	100%	100%	100%	100%	100%	100%	100%
Year 7	0%	0%	0%	25%	75%	100%	100%	100%	100%	100%	100%
Year 8	0%	0%	0%	0%	50%	75%	100%	100%	100%	100%	100%
Year 9	0%	0%	0%	0%	25%	50%	75%	100%	100%	100%	100%
Year 10	0%	0%	0%	0%	0%	25%	50%	100%	100%	100%	100%
Year 11	0%	0%	0%	0%	0%	0%	25%	75%	100%	100%	100%
Year 12	0%	0%	0%	0%	0%	0%	0%	50%	75%	100%	100%
Year 13	0%	0%	0%	0%	0%	0%	0%	25%	50%	100%	100%
Year 14	0%	0%	0%	0%	0%	0%	0%	0%	25%	75%	100%
Year 15	0%	0%	0%	0%	0%	0%	0%	0%	0%	50%	75%
Year 16	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%	50%
Year 17	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%
Year 18	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 19	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Length (Years)	4	5	6	7	9	10	11	13	14	16	17

PRECINCT 3: PERCENTAGE OF PROPERTY TAX (MUNICIPAL PORTION) REBATED

Affordable Units (%) ▶	None	1-9%	10-19%	20-29%	30-39%	40-49%	50-59%	60-69%	70-79%	80-89%	90-100%
Year 1	75%	75%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Year 2	50%	75%	75%	75%	100%	100%	100%	100%	100%	100%	100%
Year 3	25%	50%	50%	75%	100%	100%	100%	100%	100%	100%	100%
Year 4	0%	25%	25%	50%	75%	100%	100%	100%	100%	100%	100%
Year 5	0%	0%	0%	25%	50%	75%	100%	100%	100%	100%	100%
Year 6	0%	0%	0%	0%	25%	50%	75%	100%	100%	100%	100%
Year 7	0%	0%	0%	0%	0%	25%	50%	75%	100%	100%	100%
Year 8	0%	0%	0%	0%	0%	0%	25%	50%	75%	100%	100%
Year 9	0%	0%	0%	0%	0%	0%	0%	25%	50%	75%	100%
Year 10	0%	0%	0%	0%	0%	0%	0%	0%	25%	50%	75%
Year 11	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%	50%
Year 12	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	25%
Year 13	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 14	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 15	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 16	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 17	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 18	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 19	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Year 20	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%	0%
Length	3	4	4	5	6	7	8	9	10	11	12

