

CONFIDENTIAL APPENDIX D

Schedule '3'

Affordable Housing

Provision of Affordable Rental Units

1. The Owner shall provide and operate as affordable rental housing (the "**Affordable Rental Housing Units**") mixed and dispersed throughout the Development (east block and west block) completed and occupied concurrently with the rest of the Development, and with a unit mix of 20% bachelor, 50% one-bedroom units, 20% two-bedroom units, and 10% three-bedroom units.
2. All the **Affordable Rental Housing Units** are to be provided for a period of no less than 99 years from the date of initial occupancy of each unit (the "**Affordability Period**").
3. The Affordable Rental Housing Units shall have the following minimum leasable area unit sizes:
 - (a) bachelor units shall have a minimum unit size of no less than 400 square feet;
 - (b) one-bedroom units shall have a minimum unit size of no less than 450 square feet;
 - (c) two-bedroom units shall have a minimum unit size of no less than of 700 square feet; and
 - (d) three-bedroom units shall have a minimum unit size of no less than of 750 square feet.
4. The exact unit mix and sizes identified above may be amended if agreed to by the Owner and the Chief Planner and Executive Director, City Planning.
5. The Affordable Rental Housing Units shall, be constructed with matching and undifferentiated unit finishes in keeping with units at market rents within the Development.
6. The Affordable Rental Housing Units shall, where necessary upon the turnover of such unit to a tenant subsequent to the original tenant, be improved with painting and/or repairs (including needed replacement of appliances or fixtures) to provide that such units are in good working order.

Setting Rents for Affordable Rental Units

7. Maximum rents for the Affordable Rental Housing Units shall be set at affordable rent, as defined in the Official Plan of the City of Toronto as of the date of the Settlement Offer, being rents where the total monthly shelter cost (including heat, hydro and hot water, excluding parking and internet/cable charges) is at or below one times the Average Market Rent for the City of Toronto, by unit type (number of bedrooms), as reported annually by the Canada Mortgage and Housing Corporation in the Fall Market Report, for any first or new tenant within the 99-year Affordability Period.

8. If utilities are not included in the rent for an Affordable Rental Housing Unit, then the rent will be adjusted based on objective cost data provided by, or on behalf of, the Owner, all to the satisfaction of the Chief Planner and Executive Director, City Planning.

Rent Increases for Affordable Rental Units

9. During the 99-year Affordability Period, annual rent increases for sitting tenants of the Affordable Rental Housing Units (the “**ARHU Tenants**”) will be limited to the annual percentage Guideline rent increase or by any percentage permitted under the *Residential Tenancies Act*, 2006 or any equivalent provincial legislation.
10. In the event that no Guideline is announced by the Province of Ontario, the applicable percentage shall be the Consumer Price Index (CPI) for Toronto as of the month prior to the date that the notice of rent increase is served.
11. At the expiry of the 99-year Affordability Period, none of the provisions herein will apply to regulate or restrict rents. Conversely, none of the provisions herein will exempt the Affordable Rental Housing Units from any provincial legislation which may, among other things, regulate the amount of rent that may be charged in that respect.

Tenant Access Plan for Affordable Rental Units

12. The Owner shall select tenant households throughout the 99-year Affordability Period in accordance with the City of Toronto’s Open Door Affordable Housing Program requirements for tenant-selection, income verification, reporting, and overall administration of affordable rental units, subject to the following:
 - (a) The Owner will provide for a commercially reasonable income verification protocol to provide for a reasonable relationship between household income and housing affordability, applicable at the time any lease for an Affordable Rental Housing Unit is first entered into as part of its lease application process, the specific terms of which will be provided to City staff;
 - (b) Members of the household do not have familial, financial, or occupational ties to the Owner or its property manager(s); and
 - (c) The Owner shall provide a minimum of 10 Affordable Rental Housing Units as barrier free units and make reasonable commercial efforts to ensure that all barrier free Affordable Rental Housing Units are available to tenant households with one or more members who have with physical and/or mental disabilities, all in accordance with the *Residential Tenancies Act*, 2006 or equivalent provincial legislation and any other applicable legislation.

Provision of Facilities and Amenities for Tenants

13. The AHRU Tenants shall have access to any concierge services, fitness centre, outdoor pool and all indoor and outdoor amenity spaces with no additional charges (except for the charges also applicable to market rent units).

14. Storage lockers shall be provided to the AHRU tenants on the same basis and terms, including monthly charges, as such are provided to tenants who lease their respective units at market rent.
15. The AHRU tenants shall have access to permanent and visitor bicycle parking/bicycle lockers, on the same basis and terms as such are provided to tenants who lease their respective units at market rent, and in accordance with zoning by-law requirements, but the Affordable Rental Units shall have no vehicle parking spaces within the Development specifically allocated or guaranteed.

General

16. Where applicable, (and unless such fees or charges have already been paid to the City), exemptions on City fees through Open Door Affordable Housing Program for all the Affordable Rental Housing Units:
 - (a) Planning Application Fees;
 - (b) Development Charges;
 - (c) Building Permit Fees;
 - (d) Parkland Dedication Fees; and
 - (e) Residential Property Taxes – For 99 years, to match the length of the term of affordability for the Affordable Rental Housing Units.
17. If Housing Benefits are made available by the City, then the Owner will consider making up to 20% of the Affordable Rental Housing Units available to recipients of Housing Benefits. “Housing Benefits” means a financial benefit provided for or on behalf of a tenant to make up the difference between the rent payable by a tenant and the rent payable to the landlord for a residential unit.