

Document 4 – Memorandum of Understanding

MEMORANDUM OF UNDERSTANDING

(the “MOU”)

August 26, 2022

Between

Nepean Street Holdings Limited

(“Applicant”)

And

The City of Ottawa

(“CITY”)

Collectively referred to as “The Parties”

142 Nepean Street, Ottawa, Ontario

Whereas report ACS2022-PIE-PS-0073 recommends amendments to the Zoning By-law 2008-250 for the properties at 142, 144 and 148 Nepean Street to permit a surface parking lot, as well as recommendations for approval of demolition control for 142 Nepean Street; and

Whereas the existing six-unit apartment at 142 Nepean Street is proposed for demolition while a replacement building of approximately 300 dwelling units is proposed at 108 Nepean Street and part of 257 Lisgar Street; and

Whereas concerns have been raised by the Ward Councillor and community with respect to the provision of demolishing the existing apartment and maintaining affordable housing for the existing tenants from 142 Nepean Street;

NOW THEREFORE the parties agree and declare as follows:

DEFINITIONS

1. The terms defined herein shall have the following meanings for all purposes of this MOU:

“City” means City of Ottawa;

“Current Tenants” means residents within the Property as of the date of the Owner executing this Memorandum of Understanding.

“MOU” means this Memorandum of Understanding;

“New Building” means the proposed apartment building to be constructed at 108 Nepean Street and part of 257 Lisgar Street.

“New Unit” means a unit at either of 171 O’Connor St., known as Imperial Apartments (“Imperial”) or 257 Lisgar Street known as Wentworth Plaza Apartments (“Wentworth”); and

“Property” means the lands and premises known municipally as 142 Nepean Street;

RECITALS

2. The recitals to this MOU form an integral part of this MOU for all purposes and the Parties confirm that they agree to the same.

DEVELOPMENT APPROACH

3. Both parties recognize that the development of the Property is subject to an application for Site Plan Control (D07-12-21-0076);
4. The Applicant acknowledges and agrees that any conditions similar or consistent with Section 5 below do not include the “contributions” committed through Report ACS2022-PIE-PS-0073 with the City for Zoning By-law amendments concerning 108 Nepean Street and part of 257 Lisgar Street.
5. As part of the Site Plan Control approval described in Section 3 above, the Applicant agrees to implement conditions including but not limited to:
 - a. Upon receipt of a final and binding Demolition Control Application for the Property as approved by the City of Ottawa City Council, and upon execution of an agreement between the Property owner and with each Current Tenant, the Property owner shall provide a cheque for \$15,000 to each Current Tenant as consideration for entering into the agreement.
 - b. The Property owner agrees to provide the Current Tenants the opportunity to relocate to a New Unit in another rental building. Depending on availability the New Unit will be at Imperial or Wentworth.
 - c. The New Unit will contain the same number of bedrooms as the unit occupied by each of the Current Tenants at the Property.
 - d. The Property owner agrees to pay for each Current Tenant’s reasonable costs (expenses for the movement of possessions, and utilities and cable relocation fees) incurred by said Current Tenant for moving from the residential building currently on the Property and into a New Unit.
 - e. The effective monthly rent for the New Unit shall not exceed the Current Tenant’s monthly rent at the time of the Current Tenant’s move from the Property to the New Unit and discounting of face rent to achieve the above effective monthly rent will terminate after the earlier of: (i) five years from the date of the above move; and (ii) the date upon which the Tenant vacates the New Unit.
 - f. If the Current Tenant has a designated on-site parking spot on the Property, either included with rent or as an extra cost, a parking spot will be allocated to the Current Tenant with the New Unit. Payment for parking shall be the same as what is paid at the Property.
 - g. If the Current Tenant still resides in the New Unit at the time of substantial completion of the New Building, the Current Tenant will be offered a first right to lease one of the affordable units being provided in the New Building.
 - h. Instead and in lieu of the \$15,000 payment noted in paragraph 5(a) above (which shall be forfeited if the following option is chosen), and if the Tenant has had continuous occupancy of the New Unit for a full 60-months and has not been in default or in arrears, the Tenant may choose to stay in the New Unit for a 6th and subsequent years, at the annual rent

paid in Year 5 plus the permissible rent increase guideline as directed by the Residential Tenancies Act. Each subsequent year, after Year 6, the rent will be increased by the published permissible rent increase as directed by the Residential Tenancies Act (otherwise commonly known as 'rent control')."

COMMUNICATION

- 6. The Owner and the City will work in close collaboration to prepare and coordinate all communications activities as the project progresses and construction activities begin.

LEGAL STATUS

- 7. Neither this MOU nor its provision are intended to, nor shall they, amend, alter, contravene, and to or in any other way affect or effect any changes to the legal obligations between the Parties as set out in federal and provincial statute law and the common law. This MOU confirms the present intentions of the Parties to consult and collaborate on potential measures for the Current Tenants.

AMENDMENT

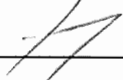
- 8. This MOU may be amended by the written consent of the Parties hereto.

CONFIDENTIALITY

- 9. This MOU is not confidential and may be made public.

Nepean Street Holdings Limited

THE CITY OF OTTAWA

Per:  _____

Per: _____

Name: MARK SHABINSKY

Name: _____

Title: ASO

Title: _____