

Bill No. 113
2025

By-law No. C.P.-_____-____

A by-law to establish financial incentives for the
Transit Oriented Development Community
Improvement Project Area

WHEREAS by Subsection 28(2) of the *Planning Act, R.S.O. 1990*, c.P.13 the Council of a municipal corporation may, by by-law, designate such an area as a community improvement project area;

AND WHEREAS by Subsection 28(4) of the *Planning Act, R.S.O. 1990*, c.P.13, the Council of a municipal corporation may adopt a community improvement plan for the community improvement project area;

AND WHEREAS by by-law Municipal Council of The Corporation of the City of London has designated the Transit Oriented Development Community Improvement Project Area a community improvement project area;

AND WHEREAS by by-law the Municipal Council of The Corporation of the City of London adopted the Transit Oriented Development Community Improvement Plan;

AND WHEREAS Municipal Council of The Corporation of the City of London wishes to establish financial incentives for the Transit Oriented Development Community Improvement Project Area;

AND WHEREAS the Official Plan for the City of London contains provisions relating to community improvement within the City of London;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Transit Oriented Development Community Improvement Project Area Financial Incentive Program Guidelines attached as "Schedule 1" is hereby adopted;
2. The agreement attached as "Appendix 1" is hereby authorized and approved.
3. The Deputy City Manager, Housing and Community Growth, or their written designate, is authorized to approve, enter into and execute agreements substantially in the form authorized and approved under section 2 of this bylaw.
4. The Deputy City Manager, Housing and Community Growth, or their written designate, is authorized to approve, enter into and execute amending agreements to agreements entered into pursuant to the authority under section 3 of this bylaw, provided the terms of the agreement conform with the applicable Transit Oriented Development Community Improvement Project Area Financial Incentive Program Guidelines.
5. This by-law comes into force and effect on the day it is passed subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

PASSED in Open Council on April 1, 2025, subject to the provisions of PART VI.1 of the *Municipal Act, 2001*.

Josh Morgan
Mayor

Michael Schulthess
City Clerk

First Reading – April 1, 2025
Second Reading – April 1, 2025
Third Reading – April 1, 2025

**“Schedule 1” – Transit Oriented Development Community Improvement Project
Area Financial Incentive Program Guidelines**

**Transit Oriented Development Community Improvement Project Area
– Financial Incentive Program Guidelines – Transit Oriented
Development (TOD) Per-Unit Forgivable Loan Program**

Effective April 1, 2025

These program guidelines provide the requirements for the Transit Oriented Development (TOD) Per-Unit Forgivable Loan financial incentive program provided by the City of London through the Transit Oriented Development Community Improvement Plan (CIP).

Though the Transit Oriented Development Community Improvement Project Area is city-wide, the TOD Per-Unit Forgivable Loan only applies to the area identified on Map 1 in Section 2.0.

1.0 Definitions

Applicant – The person who makes a formal application for a financial incentive program offered through the City’s Community Improvement Plans. The person may be the *Property Owner*, or an authorized agent, including a business owner who is occupying space on the *Property* or contractor who has been retained to undertake improvements on the *Property*. If the *Applicant* is not the *Property Owner*, they will be required to provide authorization in writing from the *Property Owner* as part of a *Complete Application*.

Approved Works – the materials, labour and/or effort made to improve a property that are determined to meet eligibility criteria under the incentive program requirements.

Commitment Letter – A document prepared by the City of London outlining its agreement with a *Property Owner*, to provide a future financial incentive—in this case, a forgivable loan—based on a redevelopment, rehabilitation and/or renovation project that has yet to be undertaken. The letter describes the specific scope of *Approved Works* the *Applicant* will undertake to receive the forgivable loan.

Complete Application – includes a completed application form and all required supporting documents for financial incentive program(s) with the *Applicant’s* signature and date.

Dwelling Unit – as defined in the City of London Zoning Bylaw, a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping, and sanitary facilities.

Office-to-Residential Conversion Project – Means a *Rehabilitation Project* of an eligible vacant officed space into a residential or mixed-use (residential with commercial as permitted in the City of London Zoning By-law) building.

Property – land that permits a *Redevelopment Project* or *Office-to-Residential Conversion Project*, as identified by the City of London Zoning By-law, as amended, with a municipal address (including distinct unit numbers, if applicable), located in a place type and zoning that permits residential uses and is located within the Transit Oriented Development Community Improvement Project Area as per Map 1 in Section 2.0.

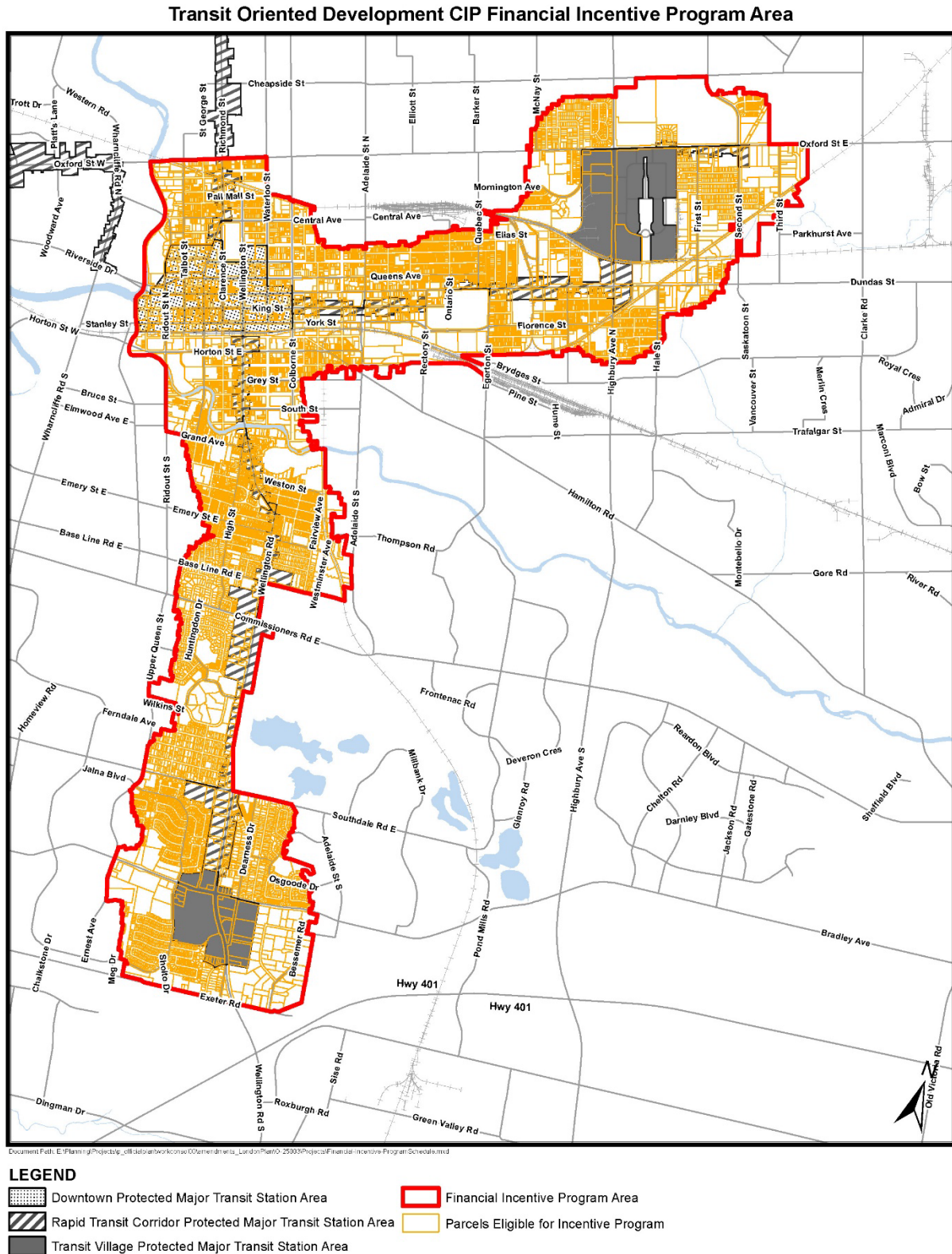
Property Owner – the registered owner of the *Property*.

Rehabilitation Project – For the purpose of the incentive programs shall mean the restoration or reconstruction of buildings, structures, or parts thereof to modern building standards without the removal of the building or structure from the lot.

Redevelopment Project – For the purpose of the incentive programs shall mean the development of lands, which are cleared, planned for demolition, in part or in whole, or which will have the existing building or structure removed from the lot.

2.0 Area Eligible for the Transit Oriented Development (TOD) Per-Unit Forgivable Loan Program

Map 1 – Transit Oriented Development CIP Financial Incentive Program Area



3.0 Program Purpose

The purpose of the TOD Per-Unit Forgivable Loan Program is to incentivize residential development in and around Primary Major Transit Station Areas and Transit Village place types. Through this program, the City of London provides a \$15,000 per unit forgivable loan to support residential development.

4.0 Program Goals

The goals of the TOD Per-Unit Forgivable Loan Program are to:

- Incentivize residential development near transit.
- Help the City achieve its Housing Accelerator Fund approved application housing target of 2,187 additional units.
- Promote intensification and redevelopment within the existing built-up area.

5.0 Eligible Works

- A *Redevelopment Project* or *Rehabilitation Project* in the form of a residential or mixed-use apartment building with 20 or more residential units or an *Office-To-Residential Conversion Project* without a minimum project size located within the area identified on Map 1 in Section 2.0.
- To be eligible, a *Redevelopment Project* or *Rehabilitation Project* must:
 - Have already secured a building permit after September 8, 2024; however, if the building permit was issued prior to September 8, 2024, but is being revised to increase the number of residential units in the project, eligibility for the TOD Per-Unit Forgivable Loan Program will be at the discretion of the Deputy City Manager, Housing and Community Growth or their written delegate.
 - Receive a building permit no later than December 31, 2026.

6.0 Ineligible Works

- Any *Redevelopment Project* or *Rehabilitation Project* located outside the area identified on Map 1 in Section 2.0 is ineligible for the TOD Per-Unit Forgivable Loan Program.

7.0 Program Terms and Conditions

- The proposed *Redevelopment Project* or *Rehabilitation Project* must be a residential or mixed-use apartment building with 20 or more residential units or an office-to-residential conversion project without a minimum project size.
- The City of London is not responsible for any costs incurred by the *Property Owner* or *Applicant* in relation to this forgivable loan program, including without limitation, costs incurred in application of the forgivable loan.
- The proposed *Redevelopment Project* or *Rehabilitation Project* must comply with all applicable zoning regulations set out in the City of London Zoning By-law, as amended.
- The available incentive is only applicable to the residential component of mixed-use buildings.
- The *Redevelopment Project* or *Rehabilitation Project* must be rental tenure.
- The forgivable loan amount is \$15,000 per residential unit created.
- The *Redevelopment Project* or *Rehabilitation Project* shall commence construction within one (1) year of the initial forgivable loan advance and proceed with development regularly and diligently thereafter until completion.
- The *Redevelopment Project* or *Rehabilitation Project* must construct the units and close the building permit on or before the fourth anniversary of the initial forgivable loan advance date. Notwithstanding, the Deputy City Manager, Housing and Community Growth or their written delegate may extend the deadline to complete the *Redevelopment Project* or *Rehabilitation Project* one or more times, at their sole discretion, provided: 1) the cumulative extension period does not exceed two (2) years; and 2) at the time of extension request, the *Applicant* has proceeded diligently with the construction to the satisfaction of the City
- The *Property* is eligible for multiple incentive programs provided through the various Community Improvement Plans.
- All City of London property taxes must be paid in full when the forgivable loan is issued and remain so for the lifetime of the forgivable loan.

8.0 Eligibility Criteria

Applicant Requirements

- The *Applicant* must be the *Property Owner* of the *Property* or an authorized agent (including building tenant or contractor who has been retained to undertake improvements). If the *Applicant* is not the *Property Owner*, they will be required to provide authorization in writing from the *Property Owner* as part of a complete application. For clarity, the *Property Owner* shall enter into the Forgivable Loan Agreement with the City and the City will provide the forgivable loan to the *Property Owner*.
- All mortgages and charges, including the subject financial incentive(s), must not exceed 90% of the post-rehabilitation appraised value of the property (i.e. the *Property Owner* must maintain 10% equity in the property post-improvement).
- The *Property Owner* and/or *Applicant* must not have defaulted on any City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation.
- The *Property Owner* and/or *Applicant* must not be involved in ongoing litigation with the City of London.

Property Requirements

- Separate applications must be submitted for each single *Property* unless properties are being merged to create a development parcel.

Building Requirements

- There are no City of London Building Division orders or deficiencies and no by-law infractions relating to the *Property* at the time the forgivable loan is issued.

9.0 General Forgivable Loan Application Process

Step 1: The *Applicant* contacts City of London staff to discuss the proposed project, who will provide information about incentive programs, review the application form(s), and assist with the application process. This meeting will also help to identify what permits or permissions may be required to complete the proposed improvement project.

Applications made for financial incentive programs do not in any way replace the need for obtaining any necessary approvals. Prior to undertaking building improvements, the *Applicant* is required to obtain any necessary approvals and/or permits. Heritage Alteration Permits (if applicable) will be required before financial incentive applications are accepted. Discussions with staff are encouraged early in the process to ensure proposals comply with City regulations and guidelines, and the proposed improvements are eligible under the incentive program criteria.

Step 2: A *Complete Application* is submitted to the City of London. Typically, it includes the following:

- 1) Complete drawings and elevations of the works to be undertaken.
- 2) High-level operating and capital budget for the project.
- 3) Cover letter that summarizes the work to be completed.
- 4) Corporate Profile Report.
- 5) Copy of the Heritage Alteration Permit (if required).
- 6) Property Owner authorization letter (if applicable).
- 7) Any other documents deemed necessary by staff.

Step 3: Staff will review the application for completeness and inform the *Applicant* in writing that either more information is required, or the application is accepted. If accepted, the City will provide a *Commitment Letter* which outlines the *Approved Works*, related costs, and monetary commitment that the City is making to the project.

The City's commitment is valid for one year from the date of issuance of the *Commitment Letter*, at which time the first available building permit must be issued and construction begun. The City's commitment applies only to the project as submitted. Any subsequent changes to the project will require review and approval by appropriate staff.

Step 4: The *Applicant* can start the *Approved Works* when the necessary approvals and/or permits have been received (e.g. building permit), as identified in the *Commitment Letter* from the City, which serves as a pre-approval for the financial incentive program.

Step 5: Before entering into any forgivable loan agreement, staff must ensure the terms and conditions outlined in the City's *Commitment Letter* have been met. Typically, it includes the following:

- 1) The building permit is issued as verified by the Building Division.
- 2) All City of London property taxes must be paid in full and the account deemed in good standing.
- 3) There must be no outstanding debts to the City (except for other CIP loan programs).
- 4) The *Property Owner* and/or *Applicant* must not have defaulted on any City loans or grants.
- 5) There must be no outstanding Building Division orders or deficiencies against the *Property*.
- 6) The *Applicant* is not involved in ongoing litigation with the City of London.
- 7) The lien is registered on property title as security for the forgivable loan.

Step 6: The *Applicant* and the City will sign the forgivable loan agreement.

Step 7: The City will register the amount of the forgivable loan as a lien against the *Property*.

Step 8: Staff will provide the *Applicant* with a cheque in the amount of the forgivable loan.

Step 9: The *Applicant* will notify staff once the *Approved Works* has been completed and all necessary final approvals have been granted (e.g., building permit is closed).

Step 10: Staff will confirm the *Approved Works* have been completed as outlined in the *Commitment Letter*. Staff may visit the *Property* and take photographs before and after the *Approved Works* are completed.

Step 11: The lien is discharged from the *Property* when the final building permit inspection has passed confirming the work to create the residential units has concluded and meets the requirements of the Ontario Building Code.

10.0 Forgivable Loan Calculation

The TOD Per-Unit Forgivable Loan will be calculated by multiplying the total number of units by \$15,000 per unit. Though there is no funding cap per property, the amount of the forgivable loan may be capped if available program funding cannot cover the entire total forgivable loan amount.

Example: For a fictional 100-unit project with five bachelor units, 45 one-bedroom units, 40 two-bedroom units, and 10 three-bedroom units, the TOD Per-Unit Forgivable Loan equals $100 \times \$15,000 = \$1,500,000$.

11.0 Forgivable Loan Approval

Once all eligibility criteria and conditions are met, and if funds are available in the supporting Reserve Fund, the Deputy City Manager, Housing and Community Growth or their written designate will approve the forgivable loan application. Forgivable Loan commitments are valid for one year and will expire if the building permit is not issued within that period and construction begun. The Deputy City Manager, Housing and

Community Growth or their written designate may at their discretion provide a written time extension of up to one year; however, the approved funding amount will be rescinded where a building permit has not been issued and loan agreement signed by December 31, 2026.

12.0 Incentive Application Refusal and Appeal

If an application is refused, the applicant may appeal the decision of the Deputy City Manager, Housing and Community Growth or their written designate to the City Clerk's Office who will provide direction to the applicant on how to have the matter heard before Municipal Council through the Planning and Environment Committee.

13.0 Inspection of Completed Works

The City of London will inspect the completed work to verify that the proposed improvements have been completed as described in the application. Planning and Development staff may inspect the property to ensure the residential units have been completed. These inspections are not a building permit inspection. Completion of this inspection does not mean the property meets all Ontario Building Code requirements.

14.0 Forgivable Loan Terms

All construction and improvements made to land shall be made pursuant to a building permit, and/or other required permits, and constructed in accordance with the Ontario Building Code and all applicable Official Plan, Zoning Bylaw, and any other planning requirements and approvals. Additional loan terms are outlined in the forgivable loan agreement.

15.0 Forgivable Loan Distribution

Planning and Development staff will issue the TOD Per-Unit Forgivable Loan to the applicant upon the forgivable loan agreement being signed and confirmation from the Chief Building Official or their written designate that the building permit has been issued.

Prior to issuing the forgivable loan, Planning and Development staff will also confirm:

- A lien in the amount of the forgivable loan has been registered on title as security.
- The property taxes are verified in good standing by the City's Tax Office.
- That any outstanding Community Improvement Plan loans related to the property are in good standing.
- That there are no outstanding orders or bylaw contraventions related to the property.
- The *Applicant* is not involved in ongoing litigation with the City of London.

Upon confirming the above, Planning and Development staff will contact the applicant and provide them with the forgivable loan cheque.

16.0 Forgivable Loan Security and Postponement

The TOD Per-Unit Forgivable Loan is secured through the registration of a lien placed on title for the total amount of the forgivable loan. Liens will be registered and discharged by the City of London. The Deputy City Manager, Housing and Community Growth or their written designate may postpone the lien (subordination of a lien to another lien on the same property) which is given as security for the forgivable loan in circumstances where any of the registered mortgages are being replaced, consolidated, or renewed and the total value of all mortgages and charges including the City's lien does not exceed 90% of the appraised value of the property.

The lien is discharged from the property when the final building permit inspection has passed confirming the work to create the residential units has concluded and meets the requirements of the Ontario Building Code.

17.0 Forgivable Loan Agreement

Applicants in the TOD Per-Unit Forgivable Loan Program are required to enter into a forgivable loan agreement with the City of London. This agreement shall specify such items as (but not limited to) the amount of the forgivable loan, forgivable loan payment date, and the *Applicant* and/or *Property Owner's* obligation to repay the City because of a default. The agreement shall include the terms and conditions included in these program guidelines. The forgivable loan agreement will be signed by the Deputy City Manager, Housing and Community Growth, or their written designate.

The forgivable loan agreement will be registered on the property's title by the City of London.

18.0 Repayment Provisions and Interest

The forgivable loan will accrue interest at a rate of 8% per annum, compounded and calculated every 30 days, commencing upon the advance date of the loan. Provided the *Property Owner* has complied with the terms and conditions of the forgivable loan agreement, the principal and interest shall be forgiven at the end of the term.

19.0 Change in Property Ownership

If a participating property is sold, in whole or in part, before the forgivable loan is issued, the applicant and/or the subsequent landowner is not entitled to the outstanding forgivable loan payment (on either the portion sold or retained by the applicant). The new owner of the property is required to submit a new application to the TOD Per-Unit Forgivable Loan Program. If the property is sold, in whole or in part, after the forgivable loan has been issued, but before the *Redevelopment Project* or *Rehabilitation Project* has been completed, the forgivable loan becomes repayable under the terms of the loan agreement.

20.0 Relationship to other Financial Incentive Programs

It is intended that the TOD Per-Unit Forgivable Loan Program will complement other incentive programs offered by the City of London. Applicants may also qualify for financial assistance under those programs as specifically detailed within their program guidelines. A separate application and approval process to qualify for and receive funding from these other programs is required.

21.0 Forgivable Loan Program Monitoring

Planning and Development staff will monitor the TOD Per-Unit Forgivable Loan Program applications. The program is monitored to ensure it implements the goals of the Transit Oriented Development Community Improvement Plan.

Staff will enter relevant application information into a monitoring database. Table 1 summarizes the monitoring data. The data is used during CIP reviews to determine if the program should continue, be modified, cease to issue any new commitments, or be discontinued.

Planning and Development staff will also review the monitoring data and where the review finds an excess or lack of applications relative to the available funding, adjustments may be made to the TOD Per-Unit Forgivable Loan Program, including the financial incentive amount provided, and the application intake and assessment processes.

Table 1 – Monitoring Data

Program Name	Data to Collect
TOD Per-Unit Forgivable Loan	<ul style="list-style-type: none"> • Number of applications submitted • Number of approved and denied applications • Total dollar amount of funds committed and issued • Planning approval and construction status of applications • Number of units and unit types funded • Number of affordable housing units funded (if any) • Location of funded projects • Construction cost of funded projects • Pre-assessment property value • Post-assessed property value • Number of defaults • Value of defaults

22.0 Forgivable Loan Program Discontinuation

If the Housing Accelerator Fund program is terminated for any reason and the HAF funding is no longer available, Civic Administration will bring a report forward to Municipal Council to determine whether to proceed with any outstanding funding commitments the City has made to applicants through the Per-Unit Forgivable Loan Program from another funding source.

Municipal Council may discontinue the TOD Per-Unit Forgivable Loan Program at any time; however, any existing forgivable loan will continue in accordance with the executed agreement.

Unless additional funding is approved for this Program, the Program will end on December 31, 2026.

23.0 TOD Per-Unit Forgivable Loan Program Version History

Version	Date	Changelog
1.0	April 1, 2025	Initial Program Guidelines release

“Appendix 1”

**Loan Agreement
Transit Oriented Development Per-Unit Forgivable Loan Program**

This Agreement made in triplicate this ____ day of _____, 20__.

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON,
hereinafter called "the City";

- and -

<OWNER>
hereinafter called "the Owner";

WHEREAS the Owner represents that they are the registered owner of the property, known municipally as _____, located in the Transit Oriented Development Community Improvement Project Area in the City of London, in the County of Middlesex and more particularly described in **Schedule "A"** attached hereto (the "Land");

AND WHEREAS section 28(7) of the Planning Act, R.S.O. 1990, c. P.13 authorizes a municipality to make grants or loans in conformity with a community improvement plan to registered owners within a community improvement project area;

AND WHEREAS the City has established the Transit Oriented Development Per-Unit Forgivable Loan within the Transit Oriented Development Community Improvement Plan to accelerate development near and within the City's Protected Major Transit Station Areas and Transit Village place types by providing a forgivable loan to qualified applicants;

AND WHEREAS the Owner has applied to the Transit Oriented Development Per-Unit Forgivable Loan Program, and the City has provisionally accepted the application pursuant to the City's Commitment Letter dated _____, in **Schedule "B"** attached hereto;

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the foregoing and the mutual covenants herein contained, and for other good and valuable consideration, the parties hereto covenant and agree each with the other to comply with, keep, perform and be bound by each and every term, condition and covenant herein set out to the extent that the same are expressed to be respectively binding upon them, and the same shall enure to the benefit of and shall be binding upon their respective heirs, executors, administrators, successors and assigns.

1. Definitions: The words and phrases defined in this section shall, for all purposes of this Agreement and of any subsequent agreement supplemental hereto, have ascribed to them the meanings herein specified unless the context expressly or by necessary implication otherwise requires:

"Commitment Letter" is the document prepared by the City attached hereto as Schedule "B".

"Dwelling Unit" means a suite operated as a self-contained housekeeping unit, used or intended to be used as a domicile by one or more persons and contains cooking, eating, living, sleeping and sanitary facilities.

"Loan" means the amount loaned by the City to the Owner as described in Section 3;

"Project" means the construction of the Dwelling Units as described in Section 2 below.

2. Construction of Project: The Owner hereby agrees to construct [*insert number*] Dwelling Units on the Land for rental housing in accordance with the Commitment Letter (the "Project") as follows:

Type of Unit	Number of Unit Type	Loan Amount
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(e.g. 1 bedroom)		

3. Loan Amount: The City shall loan to the Owner, the total amount of _____, (the 'Loan") by way of a single lump-sum payment payable within sixty (60) days of the parties' execution of this Agreement, subject to the remaining terms herein, in consideration of the Project.
4. Preconditions to Loan Advance: The provision of the Loan is subject to the following conditions precedent:
 - (a) All applicable property taxes must be fully paid to date for the Land;
 - (b) A certificate of lien is registered against title to the Land by the City pursuant to section 9 below;
 - (c) A building permit being issued for the Project;
 - (d) The City has approved the Owner's capital and operating budget for the Project;
 - (e) there are no outstanding orders or bylaw contraventions related to the Land and the Project otherwise complies with municipal by-laws and provincial law; and
 - (f) The Owner is not involved in ongoing litigation with the City of London.
5. Term of Loan: The Loan shall have a term of four (4) years, commencing from the advance date of the Loan, subject to the Loan Forgiveness provisions below. The City may agree to extend the Term one or more times, at its sole discretion upon the Owner's written request, provided: 1) the cumulative extension period does not exceed two (2) years; and 2) at the time of extension request, the Owner has proceeded diligently with the Project to the satisfaction of the City.
6. Interest: Interest shall accrue on the principal amount of the Loan at a rate of eight percent (8%) per annum, compounded and calculated every 30 days, commencing from the advance date of the Loan. The accrued interest shall become payable at the end of the Term or in accordance with the default provisions in this Agreement, subject to the Loan Forgiveness provisions below.
7. Loan Forgiveness: The Loan, including all accrued interest, shall be fully forgiven following the date on which the final building permit inspection has been passed, confirming the work to complete the Project has concluded and meets the requirements of the Ontario Building Code, all to the satisfaction of the City and provided no default has occurred under this Agreement (the "Completion Date").
8. Commencement of Construction: The Owner shall commence construction of the Project within one (1) year of the commencement of the Term and proceed with development regularly and diligently thereafter until completion. The Owner shall fully complete the Project and achieve the Completion Date prior to the end of the Term, failing which, the Owner shall be deemed to be in default under this Agreement.
9. Lien Registered on Land: The Owner acknowledges and agrees that the City shall register a certificate of lien upon the Land in the amount of the Loan, in accordance with Subsections 28(7), 28(9) and 32(3) of the *Planning Act*, R.S.O. 1990, c. P. 13. The lien shall be discharged following the Completion Date or payout of the Loan, subject to the default provisions of this Agreement. The City may, at its sole discretion, consent to the postponement of the lien registered on title to the Property in favour of another encumbrance on the condition that the total value of all registered mortgages and charges continues to not exceed 90% of the post rehabilitation appraised value of the Property.
10. Agreement Registered on Land: The Owner acknowledges and agrees that the City may, at its option, register this Agreement on title to the Land pursuant to Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13. This Agreement shall be discharged from title to the Lands by the City any time after the Completion Date or payout of the Loan, subject to the default provisions of this Agreement.
11. Insurance: The Owner shall maintain the following insurance until the Completion Date:
 - (a) fire and extended perils insurance under a standard extended form of fire insurance policy in such amounts and on such terms and conditions as would be carried by a prudent owner of a similar building, having regard to the size, age and location of the building; and

- (b) general liability and property damage insurance, including personal liability, contractual liability, tenants' legal liability, non-owned automobile liability and owners' and contractors' protective insurance coverage with respect to the Land written on a comprehensive basis with inclusive limits of at least five million dollars (\$5,000,000) for each occurrence and such insurance shall add the City as an additional insured.
12. Indemnity: The Owner shall indemnify and save the City, its officers, directors, employees, agents harmless from and against all claims, actions, losses, expenses, costs or damages of every nature and kind that the City may suffer, caused or alleged to be caused by any willful or negligent act, omission or delay on the part of the Owner or its officers, directors, employees, contractors or agents, in connection with anything purported to be or required to be done by the Owner in connection with this Agreement, including the Loan and Project.
 13. Representations and Warranties of the Owner: The Owner represents and warrants that they have never defaulted on a City loan or grant program, including by way of individual affiliation with any company or group of people authorized to act as a single entity such as a corporation; they shall remain in good standing under the terms of any construction financing secured against the Lands during the term of this Agreement; that property taxes are paid in full and there are no City of London Orders or by-law infractions currently outstanding in relation to the Land. If property taxes are owing on the Lands for more than one full year or the Owner is declared in default under any other financing arrangement secured against the Lands, the City will have the option, without notice and at its own discretion, to declare the Owner in default under this Agreement.
 14. Assignment and Transfer: In the event the Owner transfers any interest in the Land, in whole or in part, to any person other than the Owner, the outstanding balance of the Loan, including any interest or penalties accrued, shall become immediately due and payable. Notwithstanding, the City may, at its sole discretion, consent to the assignment of the Loan to a transferee prior to a transfer being completed.
 15. Termination: The parties acknowledge and agree that this Agreement and all obligations of the parties hereunder, shall be terminated upon the passing of the Completion Date or the full repayment of the Loan, including any applicable interest. This Agreement may also be terminated earlier upon the written agreement of the parties to same.
 16. Subsequent Owners Bound: Subject to the provisions of the *Registry Act* and the *Land Titles Act*, the covenants, agreements, conditions and understandings herein contained on the part of the Owner shall be conditions running with the Land and shall be binding upon it, its heirs, executors, administrators, successors and assigns, as the case may be, as subsequent owners and occupiers of the Land from time to time (and "Owner", wherever used in this Agreement, is intended and shall be construed to include such subsequent owners and occupiers) in accordance with Subsection 28 (11) of the *Planning Act*, R.S.O. 1990, c. P. 13.
 17. Default: Time shall be of the essence in this Agreement. Upon breach by the Owner of any covenant, term, condition or requirement of this Agreement, or upon the Owner becoming insolvent or making an assignment for the benefit of creditors, the Owner shall be in default under this Agreement. Notice of such default shall be given in accordance with this Agreement and if the Owner has not remedied such default within such time, as provided in the notice, the City may direct that the balance owing on the Loan together with interest and penalties be immediately due and payable. Interest shall continue to accrue at a rate of 8% per annum, compounded and calculated every 30 days, from the date of the event of default until the Loan and accrued interest are repaid. The City may add the amount of the Loan and accrued interest to the collector's roll and collect the Loan in like manner as municipal taxes.
 18. Enforcing Performance of Requirements: In addition to any remedy authorized or permitted by this Agreement or by law, the City may, in the event of a default by the Owner under this Agreement, do such matter or thing at the Owners' expense to correct the default, and the City may recover the expense incurred in doing it by action, from any security posted by the Owner, or by recovery in like manner as municipal taxes. No proceeding by the City under this clause and no waiver under any provision of this Agreement shall prejudice the rights of the City in respect of any subsequent default by the Owner under this Agreement. The rights of the City may be enforced by any remedy authorized or permitted by this Agreement or by law, and no such remedy shall be exclusive of or dependent on any other remedy.
 19. Notice: Any notice required or permitted to be given pursuant to the terms of this Agreement shall be given in writing, sent by prepaid registered post, addressed in the case of notice given by the City to the Owner at the municipal address of the Land, and in the case of notice given

by the Owner to the City addressed to: The City Clerk, P.O. 5035, London, Ontario N6A 4L9. Notice shall conclusively be deemed to have been given on the day that the same is posted.

20. Separate Covenants: All of the provisions of this Agreement are to be construed as covenants and agreements as though the words importing such covenants and agreements were used in each separate clause hereof. Should any provision of this Agreement be adjudged unlawful or not enforceable, it shall be considered separate and severable from the Agreement and its remaining provisions as though the unlawful or unenforceable provision had never been included.
21. Entire Agreement: This Agreement (including any Schedules, Exhibits and Attachments) shall constitute the entire Agreement of the parties with respect to, and supersedes all prior written and oral agreements, understandings and negotiation with respect to the subject matter hereof.
22. Number and Gender: This Agreement shall be read with all changes to gender required by the context.

IN WITNESS WHEREOF the City has executed this Agreement by its authorized officers and the Owner has hereunto set its hand and seal, or hereunto affixed its corporate seal attested by the hands of its duly authorized officers.

THE CORPORATION OF THE CITY OF LONDON

<OWNER>

Name:

Title:

SCHEDULE "A"
DESCRIPTION OF LAND

Property Address: _____

Legal Description: *[Lot/Part Lot/33R Plan/ etc.]*

SCHEDULE "B"
LOAN COMMITMENT LETTER