

# Appendix 1 (the Settlement Offer) - Confidential Information

– Made Public by City Council on May 11 and 12, 2010

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## Appendix 1

**Goodmans**<sup>L.P.</sup>

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May 7, 2010

Our File No.: 09-1587

**Without Prejudice and Confidential**  
**Via Email**

City of Toronto  
100 Queen Street West  
Toronto, Ontario  
M5H 2N2

**Attention: Sharon Haniford**

Dear Sirs/Mesdames:

**Re: 102-110 Shuter Street**

We are solicitors for 6645411 Canada Inc., the owner of the property known municipally as 102-110 Shuter Street (the "Subject Property"). As you know, a hearing before the Ontario Municipal Board is scheduled to commence on May 17, 2010 (the "OMB Hearing") regarding our client's official plan amendment and zoning by-law amendment applications for the Subject Property.

We are writing on behalf of our client to present a without prejudice settlement proposal to the City, for consideration at the upcoming meeting of City Council on May 11-12, 2010. The settlement proposal, which is based on a reduced building height to enable a mid-rise development to proceed on the Subject Property, is as follows:

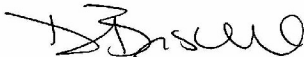
1. Our client would reduce the height of the proposed development from a maximum height of 16 storeys (stepping down to 14 storeys) to a maximum height of 14 storeys (stepping down to 12 storeys). The proposed floor plate would remain the same. The proposed floor to ceiling heights would remain the same.
2. Our client would agree to withdraw its request to redesignate the site to "Mixed Use Areas" and would agree to seek a new site-specific policy for inclusion in the City's Official Plan.
3. Our client would agree to secure, through the zoning by-law amendment and further through a Section 37 agreement to be entered into between our client and the City and registered against the site to the satisfaction of the City Solicitor, the appropriate design and re-use of materials currently being stored by our client in order to commemorate historic Walnut Hall, to the satisfaction of the Chief Planner. Further, our client would agree to follow the City's public art process to determine the appropriate public use and placement of these materials.

4. The City would agree to direct the City Solicitor to attend at the OMB Hearing in support of the revised development proposal and not to file any additional exhibits prior to the commencement of the hearing.
5. The City would agree to release the letter of credit (in the amount of \$50,000) currently being held by the City in connection with the storage of the salvaged materials from Walnut Hall, upon the satisfactory registration of the Section 37 agreement referred to in paragraph 3 above.<sup>1</sup> Given that the building design has not yet been finalized, our client would agree that a replacement letter of credit must be posted to the satisfaction of the City Solicitor if construction of the revised development proposal has not commenced within eighteen months of the issuance by the Ontario Municipal Board of an order respecting the Official Plan Amendment and Zoning By-law Amendment which permit the development proposed herein.
6. Any outstanding technical matters, such as site circulation, would be addressed through the site plan approval process.
7. Our client would not call any City staff or councillors to testify at the OMB hearing.

We would appreciate a response from the City as soon as possible. This settlement offer will remain open until the end of the next meeting of City Council.

Yours very truly,

**Goodmans LLP**



David Bronskill  
DJB/  
15844697.2

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<sup>1</sup> By letter dated June 19, 2007, the City had advised that the letter of credit could be released when once the salvaged materials have been inspected and stored to the satisfaction of Heritage Preservation Services and the final building design that incorporates the features of the salvaged materials into the new building has been agreed upon by both the owner and the Manager of HPS of the City of Toronto.