

OFFICE OF THE PRESIDENT

September 14, 2011

DELIVERED & SENT BY E-MAIL

Chair Paul Ainslie and Members of Government Management Committee
Toronto City Hall
2nd Floor, 100 Queen Street West
Toronto, Ontario
M5H 2N2

Dear Councillor Ainslie and Committee Members:

**Re: September 15, 2011 Meeting of Government Management Committee; Item GM7.5;
Declaration as Surplus – Untraveled Public Highways on Plan of Subdivision M-1859; Mockingbird Crescent,
Jacobs Gate and the One Foot Reserve North of Mockingbird Crescent (Ward 10);
Report and Recommendations of Chief Corporate Officer, June 13, 2011**

I am writing on behalf of Sanofi Pasteur Limited (“Sanofi”) to request your support in connection with the above-referenced recommendations of the City’s Chief Corporate Officer to conditionally declare certain portions of untraveled public highways on Plan of Subdivision M-1859, known as Mockingbird Crescent and Jacobs Gate, as well as a one foot reserve, as surplus (the “Surplus Lands”), and to authorize negotiations with Sanofi for the transfer of the Surplus Lands.

As you may be aware, Sanofi has for many years operated a medical research, development and vaccine production campus at its lands located at 1755 Steeles Avenue West. Although Sanofi’s total land holdings are approximately 55 acres, in the late 1970’s, the southern 14 acres of Sanofi’s lands were designated and zoned for medium-density residential uses, and registered as part of Plan of Subdivision M-1859. However, these southern 14 acres were never developed for medium-density residential uses, and on February 19, 2010, Sanofi applied to the City for an official plan and zoning by-law amendment to permit the expansion of its existing operations on these lands. In conjunction with these applications, Sanofi also requested Council to authorize negotiations with it with respect to the proposed transfer of the Surplus Lands.

Since submitting its applications, Sanofi has engaged in extensive consultation with City staff in relation to the proposed official plan and zoning amendments, and the procedures to be followed with respect to the Surplus Lands. There have also been extensive consultations with the local community. On June 24, 2010, a Community Consultation Meeting was hosted by then area Councillor Feldman to review Sanofi’s proposals, which led to the establishment of a Community Working Group that is still in place. On May 24, 2011, representatives of Sanofi met with the Community Working Group and Ward Councillor Pasternak to review the status of the applications and to obtain further community input. Subsequently, on July 20, 2011, members of the Ratepayers’ Association toured the facility and on

July 22, 2011, more than 40 neighbours took an outdoor guided tour of Sanofi's campus, to learn about its new environmental initiatives and innovations.

On June 13, 2011, the City's Chief Corporate Officer prepared the above-referenced Report to the Government Management Committee ("GMC") recommending that Council declare the untraveled road allowances as Surplus Lands and that staff be authorized to negotiate the terms of an agreement with Sanofi, subject to compliance with all required steps in the City's real estate disposal process. As noted in this Report, "Authority to declare property surplus has been delegated to the Chief Corporate Officer, unless the local Councillor requires the matter to be determined by Council, which is the case in this instance." Specifically, at the request of Councillor Pasternak, this matter was added to the agenda of the June 28, 2011 GMC meeting. However, Sanofi understands that, at Councillor Pasternak's request, this matter was subsequently deferred to the September 15, 2011 GMC meeting, in order to permit Councillor Pasternak to hold a further community meeting over the summer.

Sanofi has now learned that at the September 15, 2011 GMC meeting, a motion will be made on behalf of Councillor Pasternak to again defer this matter to a future meeting, as Councillor Pasternak did not hold any further community meeting over the summer. Sanofi does not consider a further deferral for this purpose to be appropriate. In addition to the community meetings that have already been held, there will be a public meeting required under the *Planning Act*, at which time the community will have a further opportunity to make known its views. Sanofi is also prepared to continue to engage the community, but there is no reason for GMC to defer consideration of a normally delegated matter pending further consultation. Indeed, Sanofi has been advised by City planning staff that a decision with respect to the Surplus Lands is required in order to enable staff to properly complete the review of the land use applications, and that any further delay by GMC could lead to further delays in processing of the applications.

Sanofi is proud to be part of the City of Toronto. At present Sanofi employs over 1100 people on site, and over the last 8 years has invested well over \$600 Million in its Toronto campus that supplies the world with a wide range of vaccines. Sanofi is a rare example in Canada of a multi-national company with its own Canadian president, head office, large research and development function and production facilities. It currently contributes over \$1.5 million annually in property taxes. The ability to expand its operations will result in substantial new investment and the creation of high-end jobs that will enhance Toronto's stature within the strategic medical research and production sector, including the ability to effectively compete world-wide for new product mandates. This is a substantial economic development opportunity that Toronto should embrace.

I would therefore request that members of the GMC resist any request to further defer this matter, and adopt the recommendations contained in the June 13, 2011 Report from the Chief Corporate Officer. Such action will provide Sanofi with the appropriate degree of certainty that its applications are continuing to be fairly considered and efficiently processed by the City, and will enable Sanofi to move forward with its expansion plans.

Representatives of Sanofi will be present at GMC to answer any questions you may have. Thank you for your attention to this matter.

Yours sincerely, _____

J. Mark Lievonon, F.C.A.
President

copy:
Mayor Rob Ford
Councillor James Pasternak
Councillor Michael Thompson
Michael Williams, General Manager, Economic Development