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STIKEMAN ELLIOTT

Stikeman Elliott LLP Barristers & Solicitors

5300 Commerce Court West, 199 Bay Street, Toronto, Canada M5L 1B9
Tel: (416) 869-5500 Fax: (416) 947-0866 www.stikeman.com

Calvin Lantz
Direct: (416) 869-5669
Fax: (416) 947-0866
E-mail: CLantz@stikeman.com

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July 7, 2014

Mayor and Members of Council
City of Toronto
Metro Hall, 24th Floor
55 John Street
Toronto, ON M5V 3C6

Attention: Your Worship and Members of Council

Dear Sirs/Mesdames:

**Re: City Council Meeting - July 8, 2014
Planning and Growth Management Committee Matter
Proposed Official Plan Policies for Implementing a Development
Permit System ("OPA 258")
Item - PG34.4
Terracap Management Inc.**

We are solicitors for Terracap Management Inc. ("Terracap"). Terracap has an interest in lands in the City of Toronto. We understand that the draft OPA 258 will proceed to the Council meeting on July 8 and 9, 2014 where it is expected to be approved. We have reviewed the Final Staff Report entitled, "Official Plan Policies for Implementing a Development Permit System - Final Report and Statutory Public Meeting", dated May 28, 2014 and based on our review of the draft OPA 258 and related Staff Reports to date, our client has identified a number of issues.

City staff have not articulated how a DPS as contemplated in the draft OPA 258 will result in greater predictability and efficiencies as compared to the existing development approval system in the City of Toronto. A DPS has not been tested in Ontario in a dense and complex urban environment such as the City of Toronto. Given that the introduction of a DPS will be a radical change to the development process in the City of Toronto, and that once a Development Permit By-law is in place it will displace existing zoning and minor variance decisions, it is critical that the Official Plan policies for a DPS be appropriately crafted, thoroughly vetted, complete and shown to be an improvement over the current development approval system.

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One of the purported goals of the DPS is to secure predictable outcomes by ensuring that all developments will be consistent with the planned vision and the comprehensive planning framework for area subject to a Development Permit By-law. Surprisingly, however, the draft OPA 258 contains policies that require a Development Permit By-law to include processes for public notification and input into the evaluation of development permits. By including a public input component, the draft OPA 258 introduces uncertainty into the decision making process for obtaining a development permit that is contrary to the goals and objectives of a DPS.

The draft OPA also includes policies for a more onerous standard of review for a by-law amendment application than what is currently required for a by-law amendment in the City of Toronto. Any City-initiated amendment or a private application to amend a Development Permit By-law will need to be considered in the context of all lands that are the subject of the Development Permit By-law. Such policies may limit the ability to tailor planning solutions to unique sites.

By operation of the legislation, a DPS also displaces all existing zoning by-laws and minor variances and removes the ability to obtain minor variances to a Development Permit By-law to facilitate a proposed development. Instead, once a Development Permit By-law is in effect, if a landowner requires some relief from the development standards in the Development Permit By-law, the developer must undertake a more lengthy and costly process to amend the Development Permit By-law on a site-specific basis, with such amendments being reviewed against a more onerous review standard proposed in the draft OPA 258.

The draft OPA 258 also fails to address transition matters, including its impact on existing development approval rights and active development approval applications. It also fails to clarify whether existing height and density rights will be protected and included in a Development Permit By-law or whether landowners will experience a down-zoning of their properties subject to a Development Permit System. It also fails to provide clear policy direction on how community benefits will be addressed.

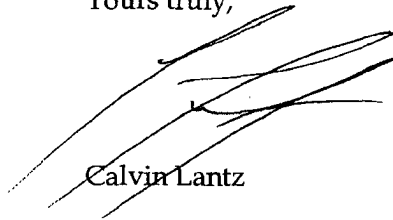
In summary, the proposed OPA 258 creates a policy framework that will allow for discretion by staff and public participation at the development permit application stage, creating uncertainty and delay. There is no mechanism included for the equivalent of minor variances, the result being that all relief being sought will require a site-specific amendment to the applicable Development Permit By-law. The proposed OPA 258 will introduce a more onerous standard for by-law amendment. In short, the policy framework proposed in OPA 258 will not likely create an approval system that is an improvement to the existing development approval system in the City of Toronto.

The above noted list of concerns with draft OPA 258 is not exhaustive. This correspondence serves to protect our client's right to appeal OPA 258 to the Ontario Municipal Board, should it be required. We also reserve the right to raise additional comments and concerns as OPA 258 is subject to further refinement and Council approval.

Please keep us apprised of the status of OPA 258 by providing us with copies of any further staff reports, notice of any further public meetings, committees of Council and Council meetings and copies of all decisions made by Council, that are concerned with this OPA.

Should you have any questions respecting this request, kindly contact the writer at your earliest convenience.

Yours truly,

A handwritten signature in black ink, appearing to read "Calvin Lantz", written over a printed name.

Calvin Lantz

CWL/nla

cc. Ulli S. Watkiss, *Clerk, City of Toronto*
Larry Krauss, *Terracap Management Inc.*