

Goodmans^{LLP}

Barristers & Solicitors

Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7

Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.597.4299
dbronskill@goodmans.ca

September 26, 2016

With Prejudice

Our File No.: 140460

Via E-mail

Legal Services, City of Toronto
Metro Hall, 55 John Street, 26th Floor
Toronto, ON
M5V 3C6

Attention: Jessica Braun, City Solicitor

Dear Sirs/Mesdames:

**Re: OMB Case No. PL160263
543-553 Richmond Street West**

As you know, we are solicitors for 543 Richmond Street West Holdings Inc., the owner of the lands known municipally as 543 – 553 Richmond Street West in the City of Toronto (the "Property"). We are writing on a with prejudice basis to propose a settlement of our client's appeal. This settlement offer is open until the conclusion of the City Council meeting scheduled to commence on October 5, 2016, after which it should be considered as withdrawn.

With Prejudice Settlement Offer

The settlement offer is based on the attached with prejudice plans dated September 21, 2016, which have resulted from considerable discussions with City staff from Parks, Planning and Heritage Preservation Services. In particular, we note the following aspects of the revised with prejudice plans:

- The with prejudice plans achieve on-site parkland dedication (approximately 550 m²) along the Portland Street frontage, which we understand is acceptable to City staff.
- The overall height of the 15-storey building has been reduced to 48.725 metres; excluding mechanical penthouse, which height is in keeping with the height approved directly across the street (46.3 metres) and the height of the immediately adjacent office building (44.6 metres), but less than the strata conveyance recently approved for 505 Richmond Street West.

- Our client has revised the unit mix to include 47 3-bedroom units (or 10% of the overall number of units.)
- The retail space at-grade has been oriented towards Portland Street to activate this frontage.
- At the corner of Portland Street and Richmond Street West, the building mass has been reduced in height to 7 storeys. The distance from the curb to building face is a minimum of 6.5 metres along Portland Street and a minimum of 2.73 metres along Richmond Street West, increasing along both frontages.
- The park location has resulted in the taller portions of the building in the original submission building being pushed back from Portland Street, although the desirable south-facing courtyard between the remaining taller elements has been maintained.
- The proposed bicycle parking, at 471 spaces (413 long-term bicycle parking spaces, 46 short term bicycle parking space, 8 short term retail bicycle parking spaces and 4 long term retail bicycle parking spaces), is in accordance with the City's minimum requirement.
- The proposed vehicle parking (221 spaces) is in two (2) underground levels and includes 45 visitor spaces and 176 residential parking spaces.

There is one other important aspect to our client's settlement offer. Our client is prepared to make a voluntary Section 37 contribution of \$400,000.00, which could be allocated to affordable housing and public realm/parkland improvements in the vicinity of the Property. Our client is not prepared to make a contribution of such an amount if the matter proceeds to a contested Ontario Municipal Board hearing.

Our client is hopeful that this with prejudice proposal will be accepted by City Council. As noted above, however, if City Council does not accept this settlement offer at its meeting on October 5, 2016, this settlement offer should be considered as withdrawn.

Please let us know if any additional information is required.

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Yours truly,

Goodmans LLP

A handwritten signature in black ink, appearing to read 'D. Bronskill', written over the printed name 'Goodmans LLP'.

David Bronskill
DJB/
6606813