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June 6, 2016

**By E-Mail to [clerk@toronto.ca](mailto:clerk@toronto.ca)**

Toronto City Council  
c/o City Clerk's Office  
12<sup>th</sup> Floor, West Tower, City Hall  
100 Queen Street West  
Toronto, Ontario  
M5H 2N2

**Attention: Ms. Marilyn Toft, Secretariat**

Dear Ms. Toft:

**Re: Final Report – Lower Yonge Precinct – City-Initiated Official Plan  
Amendment and Precinct Plan  
Reference Number: 12-253083 STE 28 OZ  
Agenda Item: TE16.4**

We are counsel to Daniels Waterfront Corporation and Daniels QQ Corporation (collectively, "Daniels"), the owners of lands municipally known as 130-132 Queens Quay East, 143-177 Lake Shore Boulevard East and 26 Richardson Street, Toronto (collectively, the "Daniels Lands"). The Daniels Lands are located immediately east of the Lower Yonge Precinct, on the east side of Lower Jarvis Street.

In December 2014, Daniels received conditional approval from the Ontario Municipal Board ("OMB") for a mixed-use development on the Daniels Lands. This conditional approval followed a settlement between Daniels, the City of Toronto (the "City"), Redpath Sugar Ltd. ("Redpath") and QQE 162 Inc. ("QQE"), which was reflected in Minutes of Settlement dated May 15, 2014 (the "Minutes"). The Minutes were filed with the OMB and served as the basis for a settlement among the parties that was subsequently endorsed by the OMB.

Among other things, the Minutes required that Redpath undertake at-source odour mitigation, consisting of the installation of a carbonation ventilation mitigation process, intended to reduce odour emissions from the Redpath industrial facility at 95 Queens Quay East (the "At-Source Mitigation"). The reduction of odour emissions from the Redpath facility, to be achieved as a result of the At-Source



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Mitigation, was also required in order to gain the acceptance of the Ministry of the Environment and Climate Change for the introduction of new odour-sensitive land uses in the vicinity of the Redpath facility. We understand that the installation of the At-Source Mitigation is currently underway and expected to be completed shortly.

One of the conditions for obtaining final development permissions from the OMB required that Daniels and QQE “front-end” a portion of the cost of the At-Source Mitigation, in the amount of \$1.75 million, with Redpath initially contributing the balance of the total cost.

Accordingly, in December 2015, Daniels and QQE contributed their initial portion of the At-Source Mitigation to Redpath. As a result, the OMB issued its final Order for the Daniels Lands in April 2016, and the mixed-use development on the Daniels Lands is now under construction.

At the same time that the Minutes were being negotiated, it was understood by all parties that the At-Source Mitigation would also benefit other lands in the vicinity of the Redpath facility. Accordingly, the Minutes stipulate that the City, Daniels, Redpath and QQE will cooperate in seeking financial contributions from other landowners who may benefit from the At-Source Mitigation.

In this regard, a financial contribution for the At-Source Mitigation was recently secured from Pier 27 Toronto (North) Inc. in the context of its development approvals for the lands at 15 Queens Quay East.

Meanwhile, the air quality consultants for Daniels, QQE and Redpath have identified a number of other properties in the vicinity of the Redpath facility that will benefit from the At-Source Mitigation, including the lands within the Lower Yonge Precinct.

Accordingly, it is Daniels’ position that as a condition of development approvals for lands within the Lower Yonge Precinct, benefitting landowners should be required to pay a fair and equitable share of the costs of the At-Source Mitigation, and that this requirement should be reflected in policy as part of the proposed Official Plan Amendment for the Lower Yonge Precinct, which we understand will be considered by City Council at its meeting on June 7-8, 2016.

We have reviewed the correspondence to City Council from Mr. Calvin Lantz of Stikeman Elliott LLP on behalf of Redpath dated June 1, 2016. We note that in his submission, Mr. Lantz has suggested the following wording for a new clause to





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be added to the proposed Official Plan Amendment regarding cost sharing for the At-Source Mitigation:

*Prior to enacting a zoning by-law or development permit by-law for the development of lands within the Lower Yonge Precinct, arrangements will be made whereby benefitting landowners will be required to pay a fair and equitable share of the costs of the design, engineering, specification, manufacture, purchase and installation of a carbonatation ventilation mitigation process at the Redpath industrial facility located at 95 Queens Quay East that is designed to reduce odour emissions from the Redpath facility.*

Daniels supports the proposed additional policy and requests that it be included if City Council chooses to adopt an Official Plan Amendment for the Lower Yonge Precinct.

Kindly ensure that we receive notice of any decision(s) of City Council regarding this matter.

Yours truly,

**DAVIES HOWE PARTNERS LLP**

Mark R. Flowers  
Professional Corporation

copy: Client

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