

December 13, 2016

File No.: 237611-503

SENT VIA E-MAIL: clerk@toronto.ca

Honourable Mayor Tory and Members of Council
City of Toronto
12th Floor, West Tower, City Hall
100 Queen Street West
Toronto ON M5H 2N2

Attention: Marilyn Toft, Secretariat Contact (clerk@toronto.ca)

Dear Sirs/Mesdames:

RE: TE20.9 - 77 River Street and 7 Labatt Avenue - Official Plan Amendment and Zoning By-law Amendment Applications

We are the solicitors for The Governing Council of The Salvation Army in Canada (the "**Salvation Army**"). The Salvation Army is the registered owner of the lands municipally known as 77 River Street.

We respectfully ask that City Council defer consideration of the above-mentioned item pending The Salvation Army's review of a draft Section 37 Agreement that is required as a condition of the City's approval of the applications.

At 10:19 p.m. on December 12, 2016, we received an email from the principal of TAS 7 LA Corp. ("**TAS**"), the registered owner of 7 Labatt Avenue, providing us with a copy of a draft agreement between The Salvation Army, TAS, and the City of Toronto in respect of Section 37 benefits to be paid to the City in respect of these development applications. Prior to this date, we had not received a copy of this draft agreement.

Based on emails attached to the December 12, 2016 email from TAS, it appears the City and TAS had been negotiating the terms of the draft Section 37 Agreement for a period of at least a week prior to the matter coming forward for City Council's consideration on December 13, 2016. The December 12, 2016 email from TAS characterized the final form of the draft agreement as "last minute" and required The Salvation Army's execution of the document, failing which TAS would proceed to execute the draft agreement on the basis of an authorization provided by The Salvation Army. The solicitors for TAS, by email to the City dated December 9, 2016 which was included in the December 12, 2016 email to The Salvation Army, informed the City's lawyer that it had added The Salvation Army as a party to the draft agreement.

Though TAS has acted as The Salvation Army's agent in respect of these development applications, The Salvation Army objects to being added as a party to the draft Section 37 Agreement which requires the parties to provide the City a certified cheque in the amount of \$2,000,000 as a benefit pursuant to Section 37 of the Planning Act. December 12, 2016 was the first time at which The Salvation Army was informed

that TAS and the City expected The Salvation Army, as an owner of lands subject to the applications, to pay Section 37 benefits. Notwithstanding this late notice, The Salvation Army sees no reason why the draft Section 37 Agreement cannot be revised so that benefits payable under the draft Section 37 Agreement are paid by TAS alone.

Based on the foregoing, we respectfully ask City Council to defer consideration of this item so that The Salvation Army is permitted to review the draft Section 37 Agreement and speak with its agent to ensure it is not prejudiced.

Please register this letter as a matter of record and forward to City Council. Please provide the writer with notice of all decisions taken by City Council in respect of this item.

Yours very truly,
Dentons Canada LLP



Mark Piel

MAP/an

c.c. The Governing Council of The Salvation Army in Canada
Joseph Debono, Dentons Canada LLP