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September 2, 2016

BY EMAIL

Toronto and East York Community Council City Clerk's Office 2nd Floor, West Tower, City Hall 100 Queen Street West Toronto, Ontario M5H 2N2

Attention: Ellen Devlin, Toronto and East York Community Council Administrator

Re: TEYCC Agenda Item TE18 767-773 Yonge Street – Preliminary Report City File # 16 118667 STE 27 OZ

Brookfield Canada Office Properties ("Brookfield"), through its subsidiary 6524443 Canada Inc., holds a long term leasehold interest via a ground lease from the City of Toronto (the "City") in the property at 2 Bloor Street East, at the northeast corner of Yonge Street and Bloor Street. Additionally, Brookfield is also the owner, through its subsidiary 2525760 Ontario Ltd., of the property known as 765 Yonge Street, immediately north of 2 Bloor Street East (collectively, "Brookfield"). The property at 765 Yonge is designated pursuant to Part IV of the *Ontario Heritage Act*. Aird & Berlis LLP represents Brookfield in this matter in respect of its concerns with the development proposal at 767-773 Yonge Street.

2 Bloor Street East is a Class A office building located at one of the most significant and prestigious intersections in the City. With approximately 600,000 ft² office space and nearly 2000 employees in a variety of businesses, this building represents an important employment generator for the area and contributes meaningfully to the mix of uses in the Bloor/Yorkville neighbourhood, consistent with the *Mixed Use Areas* designation and the SASPS applicable to the area.

Earlier this year, our client learned that an application for a zoning by-law amendment at 767-773 Yonge Street had been filed with the City on February 19, 2016. The proposal, as submitted, contemplated a two storey retail podium and 49 storey tower (a total height of 161 metres) with 322 residential units.

Brookfield wrote directly to City Planning staff to identify its interests in the area and its initial concerns with the proposal. The primary concern related to the proposed location of the 49 storey tower on the southerly lot line, providing no setback to the properties to the

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south and a separation distance of only 10 metres from the south face of the proposed tower to the north face of the existing 35 storey tower at 2 Bloor Street East. Moreover, this 10 metre separation was achieved only by relying on both the existing tower set back of 3m at 2 Bloor Street East and the 7m frontage of the site at 765 Yonge Street.

Since that time, we have learned that the proposal has been revised to propose a mere 4.9m setback to the southerly lot line. It appears this minimal setback has only been achieved by reducing the floorplate to $447m^{2}$, and proposing an equally deficient 1.5m northerly setback from Asquith.

The proposed tower, located 4.9m from the southern lot line shared with Brookfield's lands, will have a significant and permanent impact on the light and privacy currently enjoyed by the tenants at 2 Bloor Street East. A number of tenants in the building are foreign consulates and, as such, privacy and security is a paramount concern. Such minimal separation between the proposed tower and Brookfield's existing building threatens the viability of the building and the ability of Brookfield to provide the amenities commensurate with the building's status and location. The proposed 4.9m setback is contrary to the direction in the City's Tall Buildings Guidelines and the standard setbacks being sought between towers in the City. Finally, the proposal still relies predominantly on Brookfield's lands for the majority of the setback, thereby offloading the land use impacts of the proposed tower onto other privately held lands, in turn impacting the development potential of those properties.

Based on our review of the planning rationale filed in support of the original proposal, no consideration has been had for this material impact on the planned function of 2 Bloor Street East. Additionally, while the property at 765 Yonge is designated under the *Ontario Heritage Act*, the development proposal has effectively negated any redevelopment opportunities of the site through the minimal setback tower placement and location of outdoor amenity space. In our opinion, the overwhelming nature of the proposed development on such a small site has had no regard for the heritage attributes of 765 Yonge and would orphan this important heritage building in the resulting streetscape.

We read with interest the comments in the staff report that raise the issue of conformity with the Official Plan. We question how this proposal, with minimal setbacks and insufficient regard for adjacent heritage properties, can be said to conform to the *Mixed Use Areas* designation and the SASPs applicable to the area.

In Brookfield's opinion, the setbacks in the revised proposal remain deficient and will have serious negative impacts on 2 Bloor Street East and the immediate area, undermining the planned function of this important Mixed Use node. For all of these reasons, Brookfield opposes this development proposal.

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We will be in attendance at the upcoming TEYCC meeting to speak to this matter and answer any questions from the Community Council members.

Yours truly,

AIRD & BERLIS LLP

Per Eileen P. K. Costello

EPKC

c: Kristyn Wong-Tam, Councillor, Ward 27 Pino DiMascio, Urban Strategies Oren Tamir, City Planning Client

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