



March 19, 2018

Our File No.: 00-1784

City of Toronto Legal Department  
Metro Hall  
55 John Street, 26<sup>th</sup> Floor  
Toronto, Ontario M5V3C6

Attention: Ms. Jessica Braun, City Solicitor

**Re: 254-266 King Street East, 427-435 Adelaide Street East and 157 Princess Street (the  
"Site")  
– REVISED "Without Prejudice Private and Confidential Settlement Offer"**

Further to our settlement offer dated December 28, 2017, we have entertained a continued set of requested revisions to the revised plans submitted in February of this year, with a final set of plans enclosed herewith which are submitted for your review and consideration. Upon confirmation that such revised plans are recommended for approval by City Staff, including reports recommending approval to both the Toronto Preservation Board and City Council, our client is agreeable to proceed with an implementing zoning by-law and Section 37 Agreement to the upcoming OMB Settlement Hearing so as to reflect the specific design details included in the attached plans. In addition, on the condition that such approvals are recommended by City Staff and approved by City Council at its upcoming meeting of March 26, 17 and 28, 2018, our client is also agreeable to a Section 37 payment (inclusive of public art) in the amount of \$5,000,000.00 payable upon the issuance of the first above-grade building permit.

The full set of revisions and conditions agreed to by our client are reflected in the plans attached hereto, with the following providing a description of the settlement proposal which we believe is worthy of City Staff and Council's approval:

1. In response to the request to provide 20 metres clear along King Street, we have done so by (a) setting back the most easterly tower by 20 metres; and (b) by setting back the most westerly podium by 20 metres. In other words, other than the heritage building facades to be maintained, the requested 20 metre setback of all new buildings on the block has been fully satisfied;
2. We have relocated the park to King Street, with a minimum 3 metre limiting distance separations on all non-street facing sides. The relocation of the park allows the exterior non-street facing facades of the two heritage buildings on King Street to be maintained, and ensures that the existing heritage character of King Street is maintained. Not only are the

first 20 metres of King Street maintained, they are in fact improved upon by replacing an open parking area with a green park;

3. For the heritage building at the corner of King Street and Princess Street, the plans attached hereto confirm our client's commitment to maintain the designated portions of this building. As a result, while the parking addition to the back would not be maintained, the commitment to maintain the designated portion of the 254/256 King Street buildings has resulted in our client maintaining the 19.4 metre easterly portion of the building façade facing the proposed new park. While originally being asked to consider the 20 metre portion extending north from King Street, given that the designated portion actually extends 29 metres from King Street, our client has also agreed to maintain this extended portion along Princess Street as well.

All retained facades on this building and the building noted below are outlined in "red" on the ground floor plan. The only request we had indicated we would have to work out with City Staff is an improvement to the way in which these buildings address all street frontages and park frontages with the at-grade inclusion of sensitively designed "window punch outs" and "access doors";

4. For the heritage building at the corner of King Street and Ontario Street (266 King Street), we have maintained the westerly, easterly and southern facades of this building which the City has deemed to be "contributing" from a heritage standpoint. For this building, the returns along the park and Ontario Street would extend 20 metres back from the street, the distance at which we have agreed to keep the King Street frontage clear of any new buildings. Again, for the retained facades on all sides, we will require revisions to the "window punch outs" and "access doors" to address the animation of all streets, including the park. In addition, again, as highlighted in red on the attached plan, our client has also agreed to continue the retention of the Ontario Street Building extending over the proposed walkway, again, in the spirit of cooperation in response to the request of City Staff. A final revision to the previous plans, is the inclusion of the heritage façade along Adelaide Street, which again, was requested by City Staff in order to fully support the within proposal.
5. We have now offset the towers so that there is only an overlap of 23 metres, with a further setback of the tower at the corner of Princess Street and Adelaide Street from 2 to 3 metres. We also confirm that we will not provide protruding balconies within that overlap area, and as such, this setback is in essence 23 metres clear, window-to-window, based upon the fact that even with a 25 metre setback the intrusion of 1.5 metre balconies on each façade results in a 22 metre balcony-to-balcony setback;
6. In response to the City's concern about balcony location, separation, and design - while not typical for towers in the downtown area - our client has agreed to make all balconies "inset" for the 23 metre overlap, and furthermore, to have no protruding balconies included along the towers facades along Princess Street and Ontario Street;

7. The stepping of the podium and mid-rise form of the remainder of the buildings are depicted on the attached plans. However, please also note that for those portions of the buildings which are new, in other words, those areas where the heritage buildings are not maintained, our client has provided a widening at-grade along all street frontages to improve upon the public realm;
8. In addition, in order to respond to the request for a clear delineation of the podium from all street frontages in response to what we believe to be the intent of the St. Lawrence Heritage Conservation District, an increased number of setbacks along Adelaide Street East have been provided to specifically respond to the request of City Staff in order to properly highlight the heritage elements in a sensitive and appropriate manner, which detailed setbacks are depicted on the plans attached hereto. Please also note that while the number of storeys has been agreed to as between City Staff and our client, the final measured heights of the podium and heritage elements will be surveyed in order to provide the “actual” heights of such elements which will allow City Staff and the applicant to include measured heights to the various podium and tower elements to reflect the necessity to maintain the heritage elements agreed to by our client and City Staff.
9. While our client was asked to replace the entire 11,249 square metres of commercial space on Site, and while such office replacement policies are under appeal, our client has worked diligently with City Staff to fully address this request. In this instance, please recall that as part of the settlement of the application at 65 King Street East, our client was provided with a credit against the commercial replacement for this Site in the amount of 7,500 square metres so long as that proposal proceeded in advance of this application. With that proposal now proceeding to finalize site plan and building permits, our client is only required to replace the remaining 3,749 square metres of commercial space (increased by 643 sm in response to City Staff’s recent request for 100 % office replacement); and
10. As part of the settlement of this appeal, while the Site is within a “Regeneration Area” where the underlying zoning does not include density limits, when evaluating the anticipated density contained within the various height limits, and while we would suggest that this proposal achieves significant public benefits including the dedication of a public park, the retention of heritage building facades, the improvement of the public realm and the introduction of a mix of uses which includes commercial space, our client is agreeable to a Section 37 contribution in the amount of \$5 million (inclusive of public art), payable upon the issuance of the first above-grade building permit, which again, is being proposed on the condition this settlement is endorsed by City Staff and City Council as outlined above.

In accordance with the settlement proposed herein, we have included a proposed set of revised plans which reflect all of the revisions noted above, with this proposal still being the subject of a future application for site plan approval where refinements and improvements to the architectural expression can be resolved in a cooperative manner with City Staff and Council. We would respectfully request that the proposed alteration of the King Street buildings our client has agreed to maintain proceed immediately to the Toronto Preservation Board Hearing of March

22, 2018 so that this settlement offer may be considered by Council at its meeting in March of this year.

Should you have any questions or require any further clarification, please do not hesitate to contact the writer.

Yours very truly,

A handwritten signature in black ink, appearing to read 'Adam J. Brown', with a stylized, cursive style.

Adam J. Brown

Councillor Lucy Troisi  
Mr. G. Lintern (Chief Planner)  
Ms. L. MacDonald (Director)  
Mr. T. Rees (Planner)  
Mr. D. Oikawa (Manager)  
Mr. S. Bell (City Heritage)  
Ms. M. MacDonald (City Heritage)