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File No. 701831

WITHOUT PREJUDICE

April 16, 2018

By E-Mail

Brendan O'Callaghan
City of Toronto, Legal Services Division
Metro Hall, 26th Floor
55 John Street
Toronto, Ontario
M5V 3C6

Dear Mr. O'Callaghan:

**Re: Without Prejudice Settlement Proposal
Zoning Amendment Application No. 15 209995 STE 31 OZ
90 Eastdale Avenue, Toronto
LPAT Case No. PL170275**

We are counsel to 90 Eastdale Inc., the owner of lands municipally known as 90 Eastdale Avenue in the City of Toronto (the "Lands") and the applicant/appellant in the above matter.

On August 20, 2015, our client filed an application for a Zoning By-law Amendment (Application No. 15 209995 STE 31 OZ) with the City to permit an additional 37-storey residential apartment building on the western portion of the Lands (the "Application"). This was followed by an application to demolish four rental dwelling units on the Lands, pursuant to Section 111 of the *City of Toronto Act*, filed on September 22, 2015.

The Application was appealed to the Ontario Municipal Board (the "Board"), now the Local Planning Appeal Tribunal (the "LPAT" or "Tribunal"), on March 14, 2017, based on the City's failure to make a decision on the Application within the prescribed time period set out in the *Planning Act*. A nine day hearing before the Tribunal is scheduled to commence on May 22, 2018 to consider the appeal of the Application.

As you know, the Board conditionally approved our client's previous applications for an Official Plan Amendment, Zoning By-law Amendment and Site Plan Approval to permit the development of a 24 storey residential condominium building on the Lands, together with the development of townhouses to the west of the existing apartment building, following a settlement with the City. The Board rendered its Decision with respect to

these appeals on December 27, 2012 (OMB Case No. PL120274) but withheld its final Order. Our client did not proceed with that proposal and submitted a new application in 2015, as referenced above.

As you are aware, our client and its consultants have engaged in discussions with City staff to consider alternative development options for the Lands. Based on the feedback and input from staff, our client is prepared to present an alternative proposal to the City for consideration on a “without prejudice” basis (the “Alternative Proposal”). Accordingly, we are attaching a revised architectural drawing set prepared by our client’s architect (IBI Group) dated April 16, 2018.

As the drawings illustrate, the Alternative Proposal is similar to the overall scheme that was approved by the Board in 2012, with the support of the City.

In the context of a current settlement with the City, our client would be prepared to seek approval from the Tribunal at the hearing that is scheduled to commence on May 22, 2018 for a development with the following elements:

Built Form Concept

- The proposed 37 storey apartment building to the west of the existing apartment building at 90 Eastdale Avenue would be replaced with a 7 storey residential building.
- The conveyance of the existing 0.16 ha City-owned park (“Eastdale Parkette”) to our client on the northern portion of the site to be replaced with a new 35 storey residential condominium tower with a privately-owned publicly accessible space (“POPS”) to the west.
- Eastdale Parkette to be replaced with a new, larger 0.21 ha public park at the northwest corner of Eastdale Avenue and Secord Avenue, with a POPS to the west.
- To accommodate this development, our client proposes to demolish 21 existing 3 bedroom rental townhouse units located at both 2 Secord Avenue and 90 Eastdale Avenue, in addition to one 3 bedroom apartment suite located on the ground floor of the existing apartment building at 90 Eastdale Avenue.
- Although it is intended that both the 7 storey building and the 35 storey buildings will be condominium, the units in those buildings would be secured as rental tenure for a minimum of 20 years.

Rental Housing Replacement

- The demolition of 22 rental units will be replaced with 22 new 3 bedroom rental units within the new 7 storey building.
- Two types of rental replacement units are being proposed. Replacement Unit Type 1 has a GFA of 118 sq m (1,270 sq ft), a ground floor private outdoor patio

and will be located on the first two floors of the proposed 7 storey building. Replacement Unit Type 2 has a GFA of 148.65 sq m (1,600 sq ft), a private outdoor roof terrace and will be located on the top 3 floors of the proposed 7 storey building.

- All rental replacement units will include in-suite laundry, appliances, 2.5 bathrooms including a master ensuite, storage spaces and private outdoor spaces.
- In addition to these 22 replacement units, our client proposes an additional 6 secured mid-range 3 bedroom units. These additional units will also provide Eligible Tenants with an accessible unit option for those that prefer this layout.
- Details of the rental replacement proposal are set out in a draft Rental Housing Terms Sheet dated April 13, 2018 (some of which remains under discussion with City staff), attached as **Appendix “A”**.

Section 37 Agreement

- The draft Section 37 Agreement being negotiated in 2014 summarizes the site improvements in Section 13. A copy of this draft agreement is attached as **Appendix “B”**.
- Our client proposes to include all the existing provisions found in Section 13 of the draft agreement, subject to the changes identified in **Appendix “C”**, along with key improvements detailed in the following section.
- The draft Section 37 Agreement will require revisions to accommodate the key differences of this offer compared to the 2012 Board approval. Appendix “C” provides a summary of the key changes required to the previous draft agreement. These changes are in addition to any Rental Housing Demolition and Replacement changes as detailed in Appendix “A”.

Site Improvements

- New and extended private outdoor recreation space that includes a new public park at the northwest corner of Eastdale Avenue and Secord Avenue. Details of the proposed financial contribution of \$800,000 are outlined in Section 4 and Section 7 of Appendix “C”.
- The proposal provides for a new POPS adjacent to the new public park and enhancements to the existing outdoor landscaped spaces.
- New front and rear yard landscaping for the retained townhouses, including extensions of the townhouse backyards, new privacy fencing, and elimination of the existing walkway between the townhouses.
- Proposed indoor amenity space of 547.31 sq m (5,891 sq ft) located on the 3rd floor of the proposed 35 storey tower, accessible to new and existing tenants.

- New outdoor amenity space and a splash-pad will be constructed at 90 Eastdale Avenue, south of the new 7 storey building with adjacent indoor amenity space of 376.69 sq m (4,055 sq ft).
- Allotment gardens are proposed south of the new splash-pad.
- The existing outdoor pool at 2 Secord Avenue will be maintained and improved, including acoustic improvements.
- Construction of new bicycle parking facilities.
- Improvements to the existing apartment building at 90 Eastdale Avenue, including new patios for the ground floor units and a multi-purpose room with a patio; provision of storage lockers for the tenant association for 2 Secord Avenue; and new storage lockers for both buildings at 90 Eastdale Avenue and 2 Secord Avenue.

The site improvements referenced above are intended to enhance the overall amenity space of the existing and future tenants to ensure the ongoing viability of the rental properties over the long term. As such, these improvements are over and above the improvements associated with, or otherwise required to support, the approval of the proposed development. Please refer to **Appendix “D”** for the full list of Site Improvements.

Parks Development Charge Credit

- Our client proposes a development charge credit against the Parks and Recreation component of the development charges for the design and construction of the Above Base Park components of the new public park.
- Development charge credits for Above Base Park improvements has been provided by the City in the past and allows for a portion of the funds already being used to finance the public park to be allocated to other local community improvements. In our view, this approach is mutually beneficial for the owner, the City, the existing and new tenants, and the broader community.

Resolution of all Matters

It is our client’s intention that if the Alternative Proposal is approved by the Tribunal, a final approval will fully resolve both LPAT Case No. PL170275 and OMB Case No. PL120274, providing greater certainty for the City and the community moving forward.

Meeting with Tenants in Affected Units

If City Council endorses the Alternative Proposal, we would be pleased to work with the City (both staff and Councillor Davis) to coordinate a meeting with the tenants in the affected units, with such meeting to be held prior to the scheduled LPAT hearing. Discussion at such meeting would include details of a Tenant Relocation and Assistance Plan to form part of the Rental Housing Terms Sheet.

We look forward to receiving the City's response to this settlement proposal following the City Council meeting on April 24-26, 2018. In the meantime, please do not hesitate to contact us if you have any questions regarding this settlement proposal, or if you require anything further in advance of presenting this settlement offer to Council.

Yours truly,
DAVIES HOWE LLP



Mark R. Flowers
Professional Corporation

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copy: Client