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File No. 703124

CONFIDENTIAL and WITHOUT PREJUDICE

April 20, 2018

By E-Mail

Amanda S. Hill and Sara Amini
City of Toronto Legal Division
Planning and Administrative Tribunal Law
Metro Hall, 26th Floor
55 John Street
Toronto, Ontario
M5V 3C6

Dear Ms. Hill and Ms. Amini:

**Re: "Without Prejudice" Settlement Offer
Appeal of Zoning By-law Amendment Application No. 16 188179 STE 28 OZ
31 Parliament Street, Toronto
OMB Case No. PL170101**

This "without prejudice" settlement offer supercedes and replaces our earlier "without prejudice" settlement offers dated April 14, 2018 and April 19, 2018.

We are counsel to 1150782 Ontario Inc., the owner of 31 Parliament Street, Toronto, and the applicant/appellant in the above matter. As you know, a nine-day hearing for our client's zoning by-law amendment appeal has been scheduled by the Ontario Municipal Board (now the Local Planning Appeal Tribunal), to commence on June 25, 2018.

On March 15, 2018, our client revised its application on a "with prejudice" basis, by submitting revised plans to the City for a 39-storey mixed-use building, with a height of 144.1m (150.1m to the top of the mechanical penthouse) and a total gross floor area of 33,461.5 sm (the "Revised Submission"). We understand that City staff will be reporting on the Revised Submission to City Council at its meeting on April 24-26, 2018.

We maintain that the Revised Submission is appropriate and, accordingly, should be supported by both City staff and Council. However, in the event that City Council is not prepared to support the Revised Submission, we are hereby presenting you with an alternative submission to be considered by City Council on a confidential and "without prejudice" basis.

The drawing set for this settlement offer is the package prepared by Architectonica dated April 12, 2018, which was provided to you on April 14, 2018, and is subject to the further revisions identified below.

Our client proposes to settle the appeal of its Official Plan and zoning by-law amendment applications on the following terms:

- a. A zoning by-law amendment will be prepared for approval by the Local Planning Appeal Tribunal to implement a development substantially in accordance with the plans and drawings by Architectonica dated April 12, 2018, subject to revisions as required in relation to items b. to o. below;
- b. The development will consist of a maximum height of 137.4 metres including the mechanical penthouse and a maximum of 37 storeys excluding the mezzanine levels;
- c. The maximum height of the base building will be 21.9 metres;
- d. The development will have a maximum gross floor area of 32,000 square metres;
- e. A minimum of 35 percent of the dwelling units in the development will be 85 square metres or larger and, within that minimum 35 percent, a minimum of 20 percent of the dwelling units in the development will be 90 square metres or larger and a minimum of 10 percent of the dwelling units in the development will be 100 square metres or larger. For the purpose of calculating unit size for these requirements, the floor area of any inset balcony for the unit will be included in the unit size;

OR, alternatively,

A minimum of 25 percent of the dwelling units in the development will be 2 bedroom units or larger and, within that minimum 25 percent, a minimum of 10 percent of the dwelling units will be 3 bedroom units or larger, with the plans to be revised to achieve these minimum requirements; however, in the event that the review by Metrolinx results in the Local Planning Appeal Tribunal reducing the number of 3 bedroom units in the base building, the owner may make up the deficit of 3 bedroom units by providing an equivalent number of units (with a minimum unit size of 100 square metres, inclusive of an inset balcony to a maximum of 6 square metres) designed such that they could be converted into three bedroom units in accordance with the *Ontario Building Code* in order to achieve the minimum 10 percent requirement. For clarity, the requirement for a minimum of 25 percent of the dwelling units to be 2 bedroom units or larger would continue to apply;

f. The amending zoning by-law shall secure bicycle parking ratios, amenity space, the building envelope and number of storeys substantially in accordance with the plans and drawings by Arquitectonica dated April 12, 2018, subject to revisions as required by these conditions;

g. Prior to the issuance by the Local Planning Appeal Tribunal of its Final Order, the owner shall prepare a Transportation Impact Report Addendum to the satisfaction of the General Manager, Transportation Services. The number of vehicular parking spaces may deviate from the number identified in the plans by Arquitectonica dated April 12, 2018, including the allocation of commercial parking spaces, provided a justification is made in the Addendum and accepted by the General Manager, Transportation Services;

h. Prior to the issuance by the Local Planning Appeal Tribunal of its Final Order, the owner shall prepare a revised Functional Servicing Report, a revised Stormwater Management Report and revised Hydrogeological Assessment to the satisfaction of the Executive Director of Engineering and Construction Services;

i. Prior to the issuance by the Local Planning Appeal Tribunal of its Final Order, the owner has entered into a financially secured agreement for the construction of any improvements to the municipal infrastructure, should it be determined that upgrades are required to support the development, according to the Functional Servicing Report accepted by the Executive Director, Engineering and Construction Services;

j. Prior to the issuance by the Local Planning Appeal Tribunal of its Final Order, the owner shall prepare a Pedestrian Wind Study Addendum to the satisfaction of the Chief Planner and Executive Director, with a more detailed wind study to be completed at the site plan approval stage;

k. Prior to the issuance by the Local Planning Appeal Tribunal of its Final Order, the owner shall prepare a revised Noise Impact Study to the satisfaction of the Chief Planner and Executive Director;

l. The Local Planning Appeal Tribunal shall withhold its Final Order until Official Plan Amendment 394 is approved by the Province or, alternatively, the Province confirms that it has no objections to the proposed development;

m. The Local Planning Appeal Tribunal shall withhold its Final Order until comments from Metrolinx are appropriately implemented to the satisfaction of the Chief Planner and Executive Director, City Planning Division in respect to impacts of the adjacent rail corridor upon development and fulfillment of

Metrolinx's standard requirements, which may include requirements with respect to the proposed crash wall;

n. Prior to the issuance by the Local Planning Appeal Tribunal of its Final Order, the owner shall enter into an Agreement pursuant to Section 37 of the *Planning Act* as follows:

i. A cash contribution of **\$2,800,000** towards capital facilities within proximity of the subject site, with the allocation of such funds to be determined between the owner and the Chief Planner and Executive Director, City Planning Division in consultation with the Ward Councillor, and payment to be made prior to the issuance of the first above-grade building permit for the development;

ii. The payment amount referred to in condition n.i. herein to be increased upwards by indexing in accordance with the Non-residential Construction Price Index for the Toronto CMA, reported by Statistics Canada or its successor, calculated from the date of execution of the Section 37 Agreement to the date the payment is made to the City;

iii. In the event the cash contribution referred to in condition n.i. above has not been used for the intended purpose(s) within three (3) years of the zoning by-law coming into full force and effect, the cash contribution may be redirected for another purpose(s), provided that the purpose(s) is identified in the Toronto Official Plan and will benefit the community in the vicinity of the lands;

iv. The following matters are to be secured in the Section 37 Agreement as a legal convenience to support the development:

1. A Construction Management Plan to the satisfaction of the Chief Planner and Executive Director, City Planning Division prior to the issuance of the site plan notice of approval conditions;

2. Landscape plans as part of site plan approval that include the provision for street trees and landscaping along Parliament Street and along the proposed driveway, where appropriate, and paving on the private driveway that complements the character of the Distillery District to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

3. Plans as part of site plan approval to ensure the north wall of the development is designed and well-lit to the satisfaction of the Chief Planner and Executive Director, City Planning Division;

4. The owner shall prepare an Archaeological Monitoring and Mitigation Strategy to the satisfaction of the Senior Manager, Heritage Preservation Services prior to the issuance of the first building permit for the development; and

5. Any other items in order to secure the matters identified above; and

o. The Local Planning Appeal Tribunal shall withhold its Final Order pending written confirmation from the City Solicitor that the Official Plan and zoning by-law amendments are in final form and satisfactory to the City.

If City Council accepts and endorses this settlement offer, the Arquitectonica plans dated April 12, 2018 and this letter can be released and treated as public.

We look forward to hearing from you after the City Council meeting. 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.

Yours truly,
DAVIES HOWE LLP



Mark R. Flowers
Professional Corporation

copy: Client
Michael Goldberg, Goldberg Group