

Confidential and Without Prejudice

698-706 Spadina Avenue and 54 Sussex Avenue Zoning By-law Amendment Application

Terms of Settlement

July 11, 2018

1. Built Form & Heritage

- a. The Proposed Development shall be developed substantially in accordance with the site plan and perspectives attached at Appendix A, have a 2-storey base, and the overall height of the Proposed Development shall not exceed 23 storeys and a maximum height of 70.05 metres excluding mechanical. The mechanical will have a maximum height of 5 metres and be in accordance with Zoning By-law 438-86 and 569-2013 requirements, for a total maximum height of 75.05 metres;
- b. The Proposed Development shall comprise a university residence as defined in By-law 438-86 and a student residence as defined in By-law 569-2013 with a maximum of 511 beds (the “**University Residence**”), townhouses which shall include at least 6 rental replacement dwelling units with rents and tenant assistance all in conformity with policy 3.2.1.6. of the City's Official Plan, and retail at grade along Spadina Avenue and wrapping around the corner on Sussex Avenue;
- c. The University Residence will seek to achieve a 60/40 ratio of first year students to upper year / graduate students, acknowledging that occupancy may vary from time to time based upon demand;
- d. The Proposed Development’s treatment of 698 Spadina Avenue shall be designed substantially in accordance with the attached site plan and perspectives at Appendix A and subject to a Conservation Plan satisfactory to the Senior Manager, Heritage Preservation Services. The design shall include the retention *in situ* of the east and south façades, a two-storey step-back above 698 Spadina Avenue that is set back 1.5 metres from the south façade of the proposed tower and 1.0 metre from the east façade of the proposed tower at 698 Spadina Avenue, and shall also include the following:
 - i. The first two storeys of the tower component of the building will step back from the south façade of the entire base building, including 698 Spadina Avenue, by a minimum of 4.3 metres (2.8 metres to the tower plus a 1.5 metre inset). Beyond two storeys above the base building, the tower will cantilever 1.5 metres, so that the stepback from the south façade of the heritage building to the tower will be a minimum of 2.8 metres;
 - ii. The first two storeys of the tower component of the building will step back from the east façade of 698 Spadina Avenue by a minimum of 6.4 metres. Beyond two storeys above 698 Spadina Avenue, the tower will cantilever 1.0 metre, so that the stepback from the east façade of 698 Spadina Avenue to the tower will be a minimum of 5.4 metres. The portion of the tower component of the building that is north of 698 Spadina Avenue, north of the recessed entrance, will be set back from the east lot line by 3 metres;

- iii. Per City of Toronto Zoning By-law 569-2013, the maximum gross floor area of each tower floor will be a maximum of 752 square metres;
 - iv. The Proposed Development will include measures satisfactory to the Senior Manager, Heritage Preservation Services to ensure that the interior of 698 Spadina Avenue can be perceived from the streets as a standalone use, so that the façades do not appear only as a screen. This will be achieved through reconstruction of the north and west side walls and interior floorplates of 698 Spadina Avenue. In addition, the design will incorporate an inset entrance to the north of the northeast corner of 698 Spadina Avenue, so that the return of the north wall is evident from the street. This entrance will be glazed, additionally set back/recessed from the eastern elevation and provide appropriate separation between 698 Spadina Avenue and the building element to the north;
 - v. The Proposed Development will include, based on further investigation, retention of the rearmost three-storey bay of 698 Spadina Avenue at the Sussex Avenue frontage or reconstruction of the third bay based on archival documentation, all to the satisfaction of the Senior Manager, Heritage Preservation Services;
 - vi. The owner of the lands comprising 698 Spadina Avenue, being at least the registered owner in fee simple of such lands at the time of the registration of the required Heritage Easement Agreement (the "**698 Owner**") will enter into and register a Heritage Easement Agreement with the City to the satisfaction of the Senior Manager, Heritage Preservation Services and the City Solicitor;
 - vii. Materials / finishings and conservation strategy will be determined between the City and the Governing Council of the University of Toronto (the "**University**") at a later date through the submission of a revised Heritage Impact Assessment (prior to any Tribunal Order issuing), the Site Plan Approval process, and provision of a Conservation Plan, all to the satisfaction of the Senior Manager, Heritage Preservation Services and the Chief Planner. This will include, among other matters, changes to the materials/finishings of the proposed tower, base building and townhouse block. The townhouse block and base building will be designed to ensure that they have a compatible and sympathetic relationship to the adjacent Heritage Conservation District and 698 Spadina Avenue in terms of materials/finishings; and
 - viii. The alterations to 698 Spadina Avenue will be the subject of a report to Toronto Preservation Board, and will require City Council approval, including the entering into and registration of a Heritage Easement Agreement between the 698 Owner and the City prior to any Tribunal Order issuing, including requiring a Conservation Plan, all satisfactory to the Senior Manager, Heritage Preservation Services;
- e. Through the Site Plan Approval process, the University will address landscaping, to the satisfaction of the Chief Planner, including the following:
- i. The laneways and walkways around the townhouse block will be upgraded using enhanced planting, paving materials and other features to visually delineate the

spaces for pedestrians, slow vehicular movement, beautify the spaces to accommodate a variety of users, and comfortably accommodate building entrances from the laneway;

- ii. The existing soft landscape character along Sussex Avenue south of the residence should be retained in place of hardscape as appropriate; and
 - iii. An at-grade landscaped open space adjacent to 710 Spadina Avenue generally as shown in Appendix A that can provide appropriate growing conditions for large-growing shade trees will be provided;
- f. The Proposed Development shall at a minimum conform to Tier 1 of Version 3 of the Toronto Green Standard and the University of Toronto Energy Modeling Standard. It shall have an energy use index at a minimum 20% better than that calculated using ASHRAE 90.1-2013, Appendix G "Performance Rating Method". The Proposed Development shall be designed to meet the LEED Silver Standard;
- g. The Proposed Development shall not have underground vehicular parking, but shall provide a minimum of 238 long term bicycle parking spaces and 39 short term bicycle parking spaces; and
- h. The University, the City, and the Harbord Village Residents' Association (the "HVRA") agree to jointly request adjournment of the Conservation Review Board ("CRB") hearing scheduled for June 27 and 28, 2018 regarding 698 Spadina Avenue (CRB1712) *sine die*, pending a decision of the Local Planning Appeal Tribunal ("LPAT"). The University agrees to withdraw the referral to the CRB following the issuance of a decision on the Proposed Development by the LPAT allowing the appeal of the zoning by-law amendment as revised in accordance with this Settlement, for 698 – 706 Spadina Avenue and 54 Sussex Avenue (the "Site").

2. Rental Housing

- a. The rental housing demolition application will be processed in accordance with the City's standard process for rental housing demolition applications. In addition to the City's usual conditions, interim housing will be offered to the existing residential tenants of the Site as follows:
- i. Rent-gap payments, as described herein, shall commence upon vacant possession of the existing rental unit and no earlier than issuance of an N13 Form (Notice to End your Tenancy Because the Landlord Wants to Demolish the Rental Unit, Repair it or Convert it to Another Use);
 - ii. The University will provide rent-gap compensation to the existing tenants, which will be calculated based on the difference between the rent of an existing unit and the market value rent of the interim unit, until the replacement unit is ready for occupancy. Where the interim unit is not owned and operated by the University and/or Daniels HR Corporation, the rent gap compensation shall be calculated based on objective cost data satisfactory to the Chief Planner;
 - iii. The University shall engage an agent to assist existing tenants with a search for interim replacement rental housing at the University's cost. That agent shall be

available for the twelve months prior to termination of the existing occupancies and shall assist each tenant with finding a replacement dwelling. The agent shall be mutually agreeable to each tenant and the Applicant;

- iv. Daniels HR Corporation will offer interim rental housing replacement where available within its Toronto rental stock portfolio to existing tenants. Units may or may not be of comparable size and tenants must agree to relocate once the replacement housing has been constructed and available for occupancy;
- v. The University will place existing tenants on its waiting list for housing within the Huron-Sussex neighbourhood. Tenants will be placed on the list by order of length of seniority at 698 and 700 Spadina Avenue, with the tenant with the longest seniority placed first, the tenant with the second longest seniority to be placed second, and so forth. The place on the waiting list shall be guaranteed so long as the tenant has not obtained housing elsewhere, and tenants choosing to be added to this list will be added as of the date of execution of related Minutes of Settlement. Should the Rental Housing Demolition application not be approved by City Council, these tenants shall be removed from the waiting list. Should the Rental Housing Demolition application be approved by City Council and any tenants on the waiting list reach the top of the list prior to the six months immediately prior to termination of the existing occupancies, no unit shall be offered to the tenant(s) but such tenant(s) shall remain at the top of the waiting list. Units may or may not be of comparable size and tenants must agree to relocate once replacement housing has been constructed and made available for occupancy. The Applicant will provide regular updates to existing tenants of their place on such waiting list, and will provide rent-gap compensation to tenants accepting replacement housing through this process for the difference between the rent of an existing unit and the market value rent of the interim unit until the replacement unit is ready for occupancy; and
- vi. For clarity, an existing tenant shall not be obliged to accept a unit offered to them through the above process and refusal to accept a unit shall not alter any tenant's place on the University waiting list described in Section 2.a.v.

- b. The University shall recalculate the area of any existing rental unit to the satisfaction of City.
- c. Interim music space will be provided by the University to Art Levine on terms agreed upon in writing between the University and Mr. Levine and attached as Appendix C. Mr. Levine's permanent replacement unit within the Proposed Development shall be a minimum gross floor area of 740 square feet, and provided as an open-concept space that can convert from a 1-bedroom unit to a 2-bedroom unit in the future. Sufficient sound-proofing will be provided in the unit. In the event of a conflict with respect to this subsection and a City-approved section 111 condition, the latter would prevail.

3. Accessible Lands and the Sussex Mews Lands

- a. The University agrees to grant public access to the Robert Street Playing Field (5326 square metres; the "**Playing Field**") and the community area (1590 square metres; the

“**Community Area**”) as shown on Appendix B (collectively, the “**Accessible Lands**”) for an initial term of 25 years;

- b. The initial term shall be automatically extended for 5-year terms, subject to the following. If, on the final date of any term, the University has filed a complete application (excluding application for consent or subdivision) in accordance with the *Planning Act* for redevelopment of any portion of the Accessible Lands (a “**Complete Application**”), public access to the Accessible Lands as described herein shall automatically terminate upon final approval of such Complete Application;
- c. The University agrees lighting on the Accessible Lands will be restricted to safety and pedestrian lighting. Pets (with the exception of service and/or support animals) will not be permitted anywhere within the Accessible Lands;
- d. The University agrees all users of the Accessible Lands will comply with the Chapter 591, Noise of the Toronto Municipal Code, as amended, and will also not cause amplified sound at the Accessible Lands to project noise beyond the lot line of the property;
- e. The University agrees, excluding the University, no user of the Accessible Lands will apply for a liquor licence or be permitted to consume or serve alcohol on the Accessible Lands. The consumption of alcohol will only be permitted at licensed University events;
- f. The University agrees the Playing Field will be natural grass and will not have stadium seating. The fence currently surrounding the Playing Field shall be replaced with fencing of a similar quality to the fencing surrounding the University’s Back Campus Fields. The replacement fence shall be located inside the trees located at the western edge of the Playing Field, and shall have no locked gates, unless the University determines that maintenance or security concerns exist, in which case the gates may be locked between 11pm – 7am. Installation of the fence shall respect tree roots, subject to sign-off by the City of Toronto Parks, Forestry & Recreation Division;
- g. The University agrees that for so long as the Playing Field is accessible to the public under Section 3 of these Terms of Settlement, access to the Playing Field will be granted to the general public anytime it is not in use by the University, University of Toronto Schools, the Miles Nadal Jewish Community Centre, or any other school or non-profit youth organization. It is the intention of the Parties that use of the Playing Field by schools and non-profit youth organizations, other than the University, University of Toronto Schools, and the Miles Nadal Jewish Community Centre, (the “**Third Parties**”) should generally not exceed the amount of time the Playing Field is available for general public use during prime times, being weekends from 9am - 5pm and weekdays from 4pm - 9pm from May 1 to October 31 in any given calendar year.
- h. The University agrees that in addition to Section 3.g of these Terms of Settlement, the general public shall have exclusive use of the Playing Field every Sunday from 9am – 1pm (“**Reserved Time**”), although the University reserves the right to book the Playing Field from time to time during the Reserved Time, for no more than 10 Sundays in any calendar year. In the months of July and August, the University shall not book the Reserved Time either for more than two Sundays in each calendar month, or for more than two consecutive Sundays;

- i. The University Agrees that two years following the commencement of use of the Playing Fields under Section 3.l of these Terms of Settlement, the University's Community Liaison Committee shall consider the use of the Playing Field by the general public relative to the Third Parties and may make adjustments as may be agreed by the City, the University, the HVRA, and the Grange Community Association to ensure an appropriate balance of community and Third Party use as described in Section 3.g of these Terms of Settlement;
- j. The University agrees no regional tournaments will be held at the Playing Field. This restriction does not apply to events hosted by the University;
- k. The University agrees programming at the Playing Field will end by 10 pm;
- l. The University shall complete the improvements to the Playing Field and shall make it accessible to the general public as set out in these Terms prior to the issuance of any above-grade building permit for the Proposed Development;
- m. The University agrees that upon issuance of a Tribunal decision allowing the appeal in part of the zoning by-law amendment for the Proposed Development, the University shall convene a committee, comprising of the Ward Councillor, a University representative, and a nominee of the HVRA, to determine what improvements shall be made to the Community Area (the "**Community Area Committee**"). Prior to making a decision, the Community Area Committee will hold a public meeting so as to gather community recommendations for design of the Community Area. In the event of a unanimous decision of the Community Area Committee on the improvements for the Community Area, the University shall at its sole cost, prior to the issuance of any above-grade building permit for all or any part of the Site (including a conditional permit but excluding permits for repairs and maintenance and usual minor work for the existing buildings on the Site and in regard to 698 Spadina Avenue such as may be acceptable to the Senior Manager, Heritage Preservation Services), carry out and complete such improvements in accordance with such unanimous decision and thereafter make such lands available and accessible to the public in accordance with these Terms of Settlement, including that the University shall thereafter maintain such lands and improvements at its sole cost in accordance with these Terms of Settlement. In the absence of a unanimous decision of the Community Area Committee, the Community Area shall be developed by and at the sole cost of the University as an open space with natural grass, soft landscaping, benches, and large shade trees to be located at the periphery of the Community Area adjacent to Sussex Avenue and Robert Street, and no fence, and thereafter such improvements shall be maintained by the University at its sole cost in accordance with these Terms of Settlement. The improvements referred to in this Section 3.m are hereinafter identified as the "**Community Area Improvements**";
- n. The University agrees the Community Area Improvements will be completed and the Community Area will be accessible to the general public as set out in these Terms of Settlement prior to the issuance of any above-grade building permit for the Proposed Development;
- o. Notwithstanding any agreement to consult described elsewhere in these Terms of Settlement, including through the Development and Construction Liaison Committee as

defined herein at Section 4, the Community Area Committee shall have decision-making authority solely over the design of the Community Area as described in Section 3.m;

- p. All current improvements to the Accessible Lands, including fencing, shall be removed by and at the sole cost of the University. The University shall be responsible at its sole expense to maintain the Accessible Lands, to make them accessible to the general public as set out herein, and to implement within the Community Area any decision of the Community Area Committee;
 - q. The University shall clean up and remove all waste materials and debris from the Accessible Lands at its sole expense by September 1, 2018. For clarity, the University's recycling program is not considered waste material and debris and will be removed prior to issuance of any above-grade building permit for the Proposed Development;
 - r. The parties acknowledge that the University may (subject to obtaining necessary approvals) erect a 1-storey facilities building not exceeding 4.5 metres in height in the north-east corner of the Sussex Mews Lands on Appendix B fronting on Sussex Mews not exceeding 275 square metres (the "**Facilities Building**") and set back at least 1.5 metres from Sussex Mews. The parties to the mediation, save and except the City, agree not to object to any minor variance application required to construct the Facilities Building in accordance with the above; and
 - s. Following the use of the Sussex Mews Lands for staging and construction support for the Proposed Development, and for a minimum of five years following the date of student occupation of the University Residence, the University agrees the Sussex Mews Lands shall be used by the University for athletic programming, such as multi-use courts; no stadium seating will be permitted and lighting on the Sussex Mews Lands shall be restricted to safety and pedestrian lighting; access to recreational facilities on the Sussex Mews Lands will not be locked and will be available for use by the community when not otherwise in use; however, for clarity, the Sussex Mews Lands are not subject to any right of community access.
4. The University shall form a development and construction liaison committee ("**Development and Construction Liaison Committee**") to provide regular updates and consult on site plan matters such as landscaping and materials, and construction management for the Proposed Development, the Accessible Lands, and the Sussex Mews Lands. Members of the general public shall be welcome to attend the Development and Construction Liaison Committee meetings. The Development and Construction Liaison Committee will meet on a regular basis until such time as construction of the Proposed Development is complete. Future consultation shall be addressed by the University's Community Liaison Committee, which may hold sub-committee meetings as appropriate.
 5. For certainty, nothing herein shall fetter the legislative or quasi-judicial powers of discretion of the City of Toronto Council or its successors or assigns.
 6. The Tribunal Order will be withheld pending receipt of confirmation from the parties that:
 - a. the City has provided draft by-laws to the LPAT in a form and with content satisfactory to the Chief Planner and Executive Director, City Planning the City Solicitor and the University;

- b. City Council has made a decision on application 16 240238 STE 20 RH, under Chapter 667 of the Municipal Code, pursuant to Section 111 of the *City of Toronto Act*, to permit the demolition of the six existing rental dwelling units at 698 and 700 Spadina Avenue;
- c. the appeal to the Conservation Review Board of the Part IV (*Ontario Heritage Act*) heritage designation of the property municipally known as 698 Spadina Avenue has been withdrawn;
- d. a detailed and satisfactory Conservation Plan has been prepared by a qualified heritage consultant that is substantially in accordance with the conservation strategy set out in a Heritage Impact Assessment prepared by ERA Architects, Inc. dated July 3, 2018 for the property municipally known as 698 Spadina Avenue, including a conservation strategy in accordance with these Terms, all to the satisfaction of the Senior Manager, Heritage Preservation Services;
- e. the 698 Owner and the City have entered into and registered, to the satisfaction of the Senior Manager, Heritage Preservation Services and the City Solicitor, a Heritage Easement Agreement pursuant to Section 37 of the *Ontario Heritage Act*, on the lands municipally known as 698 Spadina Avenue, all at the University's expense;
- f. satisfactory revised Functional Servicing, Hydrogeological and Geotechnical Reports have been submitted to the City to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services;
- g. the design and implementation at the owner's (being at least the registered owner in fee simple of the Site and hereinafter referred to as the "**Owner**") cost of any upgrades or improvements to City infrastructure identified in the approved Functional Servicing, Hydrogeological and/or Geotechnical Reports, have been secured to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services, should the Chief Engineer determine that improvements to such infrastructure are required to support this development;
- h. the Owner and the University (if not the Owner) have entered into and registered on the Site, the Accessible Lands, and the Sussex Mews Lands a Section 37 Agreement pursuant to Section 37 of the Planning Act, securing at the Owner's and the University's expense and subject to the requirements for insurance, indemnity, securing of letters of credit and upward indexing (and with related provisions in the draft zoning by-law amendments) all to the satisfaction of the Chief Planner and Executive Director, City Planning, the Senior Manager, Heritage Preservation Services, and the City Solicitor:
 - a. the replacement rental dwelling units and rents, tenant assistance, and any other rental related matters;
 - b. a heritage lighting plan and a heritage interpretation plan and their implementation, all to the satisfaction of the Senior Manager, Heritage Preservation Services;
 - c. prior to the issuance of any permit for all or any part of the Site, including a heritage permit pursuant to the Ontario Heritage Act, but excluding permits for repairs or maintenance and usual minor works for the existing buildings and in regard to the existing building at 698 Spadina Avenue that such repairs,

maintenance and works are acceptable to the Senior Manager, Heritage Preservation Services, the provision of full Building Permit drawings, including notes and specifications for the conservation and protective measures keyed to the Approved Conservation Plan, including a description of materials and finishes, to be prepared by the project architect and a qualified heritage consultant to the satisfaction of the Senior Manager, Heritage Preservation Services;

- d. the provision of a letter of credit, including provision for upwards indexing, in a form and amount and from a bank satisfactory to the Senior Manager, Heritage Preservation Services to secure all work included in the Approved Conservation Plan, the approved Heritage Lighting Plan, the approved Landscape Plan, and the approved Interpretation Plan. Prior to the release of the letter of credit, the Owner shall:
 - i. have obtained final Site Plan Approval for the Development, issued by the Chief Planner and Executive Director, City Planning;
 - ii. provide a letter of substantial completion prepared and signed by a qualified heritage consultant confirming that the required conservation work, required heritage lighting work, and the required interpretive work has been completed in accordance with the Approved Conservation Plan, the approved Heritage Lighting Plan, the approved Landscape Plan, and the approved Interpretation Plan and that an appropriate standard of conservation has been maintained, all to the satisfaction of the Senior Manager, Heritage Preservation Services; and
 - iii. provide replacement Heritage Easement Agreement photographs to the satisfaction of the Senior Manager, Heritage Preservation Services;
- e. the submission by the Owner of a revised pedestrian level wind study and thereafter that the Owner will incorporate into the building any measures that may be required to mitigate the impact of wind conditions, all to the satisfaction of the Acting Director, Community Planning, Toronto and East York District, to be considered through the Site Plan Control approval process;
- f. the provision of a construction management plan satisfactory to the Chief Planner, the Chief Building Official and the General Manager, Transportation Services, in consultation with the Ward Councillor, and thereafter its implementation; and
- g. the improvements to the Accessible Lands and access by the general public to the Accessible Lands, including insurance and indemnification of the City, and including the matters set out in Sections 3 and 4 above, all to the satisfaction of the Chief Planner and City Solicitor.
- i. The City of Toronto, The Governing Council of the University of Toronto, the HVRA, the Grange Community Association, Art Levine and Daniels HR Corporation (the "**Parties**") have entered into Minutes of Settlement respecting the Proposed Development and matters set out in these Terms of Settlement, and, for clarity, with provision that

Daniels HR Corporation and its successors and assigns, shall only be bound with respect to its obligations as set out in Section 2.a.iv of these Terms of Settlement.

7. No public communication will occur until such time as City Council approves these Terms.

APPENDIX A – SITE PLAN AND PERSPECTIVES

APPENDIX B – ACCESSIBLE LANDS AND SUSSEX MEWS LANDS PLAN

APPENDIX C – LETTER FROM THE UNIVERSITY TO ART LEVINE