CONFIDENTIAL AND WITHOUT PREJUDICE

April 26, 2018

DELIVERED BY EMAIL (alexander.suriano@toronto.ca; laura.bisset@toronto.ca; francesco.santaguida@toronto.ca)

Legal Services, City of Toronto
Metro Hall
55 John Street, 26th Floor
Toronto, ON M6V 3C6

Attention: Mr. Alexander Suriano, Solicitor
Ms. Laura Bisset, Solicitor
Mr. Francesco Santaguida, Solicitor

Dear Mr. Suriano, Ms. Bisset, and Mr. Santaguida,

RE: WITHOUT PREJUDICE SETTLEMENT OFFER
- 174-188 Soudan Avenue and 71-73 Redpath, City of Toronto
- LPAT Case No. PL160564

We are the solicitors for 1908843 Ontario Inc. (the "Applicant") and the owner of the land municipally known as 174-188 Soudan Avenue and 71-73 Redpath Avenue in the City of Toronto (the "Site"). The Site is located on the north side of Soudan Avenue and the east side of Redpath Avenue. The Site is located within the Yonge-Eglinton area, approximately 200 metres south of Eglinton Avenue East.

Our client submitted a Zoning By-law Amendment Application on November 4, 2015 for a larger site comprising of the Site, other properties on Soudan Avenue and part of 18 Brownlow Avenue. The original application proposed two purpose-built rental residential towers of 25- and 20-storeys, linked by a 4-storey base building. Due to the failure of Council to make a decision on the original application within 120 days, we appealed to the Ontario Municipal Board (now referred to as the Local Planning Appeal Tribunal or "LPAT") on behalf of our client on June 20, 2016.

Based upon feedback from City Staff, the local Councillor and the South Eglinton Ratepayers' and Residents' Association ("SERRA"), our client submitted a revised proposal on February 28, 2017, reducing the tower heights to 24-storeys each with a 10 metre setback along Soudan Avenue and a 5 metre setback along Redpath Avenue.

Notwithstanding these revisions, City Staff, the local Councillor and SERRA continued to have concerns with the development as proposed. Based upon this further feedback, and as a result of various discussions with both City Planning Staff and Parks, Forestry and Recreation Staff, the Owner submitted a further revised application on September 13, 2017, revising the boundaries of the site, and reducing the...
number of residential towers from two to one (the “Current Application”). The Current Application before LPAT consists of a 24-storey purpose built rental residential tower, including a 3-storey base building and a 5-level underground parking garage. A 10 metre setback continued to be provided from Soudan Avenue and the setback from Redpath Avenue was increased to 10.8 metres. A 225 square-metre public park on the southwest corner of the Site is to be conveyed to the City as its parkland dedication requirement under Section 42 of the Planning Act.

Despite City Staff noting that the Current Application was a significant improvement, Staff continued to have concerns, specifically related to the proposed height of the tower. After working closely with Staff, our client presented two “without prejudice” settlement proposals dated April 10, 2018 and April 13, 2018, in which various revisions were made including a reduction in height and increased separation distances between 18 Brownlow Avenue and the tower, as well as the tower and the townhouses to the north (the “Original Settlement Offers”).

Upon sending the Original Settlement offers to SERRA and Toronto Standard Condominium Corporation No. 2120 (“TSCC 2120”), there were further concerns expressed about the intrusion of the upper floors into the 60-degree angular plane.

As a result of further discussions with SERRA and TSCC 2120, a final revised development proposal has been developed which we believe addresses the interests of all parties (the “Settlement Proposal”). The following sets out the key revisions to the application submitted to the City on September 13, 2017 and highlights of the Settlement Proposal:

1. A reduction in height of the tower from 24-storeys (73.05 metres above the ground floor excluding mechanical) to 21-storeys (63.15 metres above the ground floor excluding mechanical);

2. Shifting the building south to increase the separation distance between the proposed tower to the townhouses to the north from 6 metres to 7 metres;

3. Shifting the tower 0.4 metres to the west, resulting in a slight decrease in setback from Redpath Avenue from 12.8 metres to 12.4 metres, but an increase in the diagonal tower separation between the proposed tower and 18 Brownlow Avenue from 20 metres to 20.652 metres;

4. Decreasing the setback between the south property line and the proposed tower from 14 metres to 12 metres (west half) and 10.5 metres (east half);

5. A slight increase in units from 176 units to 180 units, with 45% of units being 2-bedrooms or more;

6. An FSI of 7.08 without the area of the parkland to be conveyed to the City, or 6.36 including the area of the parkland to be conveyed to the City, which is a slight reduction from 6.68 FSI;

7. A slight decrease of outdoor amenity space from 552 square metres to 532 square metres of outdoor amenity space, however, an increase in indoor amenity space from 641 square metres to 703 square metres;

8. A reduction in gross floor area from 14,831 square metres to 14,129 square metres;

9. A slight increase in the number of bicycle parking spaces from 176 to 180;

10. Maintaining 137 vehicular parking spaces;
11. Stepping back the upper floors to maintain a 60-degree angular plane measured from the existing property line on the south side of Soudan Avenue; and,

12. The provision of a 225 square metre park at the southwest corner of the Site.
A copy of the without prejudice Settlement Proposal plans, including site statistics, dated April 19, 2018 outlining the revisions noted above are attached to this letter.

As part of the without prejudice settlement offer, we would also provide for the following:

1. A voluntary Section 37 contribution of $1,000,000.00 to be allocated at the discretion of the Chief Planner and Executive Director, City Planning in consultation to the Ward Councillor, towards any one or more of the following:
   a. Above-base on-site parkland improvements;
   b. Public realm improvements in the Yonge-Eglinton Area;
   c. The Davisville Community Centre recreational facilities; and,
   d. Additional community services and facilities in the Yonge-Eglinton Area; and,

2. That in allowing the rezoning appeal based upon the settlement plans, the LPAT be jointly asked to withhold issuance of its final order until the following conditions have been satisfied:
   a. The final form of the By-laws have been agreed to by the Applicant, the City, SERRA & TSCC 2120;
   b. A Section 37 Agreement has been executed and registered on title to the satisfaction of the Chief Planner and Executive Director, City Planning and the City Solicitor; and,
   c. Confirmation that the Applicant has addressed the outstanding items in relation to servicing outlined in a memorandum from Engineering and Construction Services, dated November 29, 2017.

We confirm that our client is committed to proceeding to a settlement hearing in support of the revised proposal, conditional on Council’s approval of same it its Council Meeting scheduled to commence on April 24, 2018 and settlement of the Section 37 matters.

Should you require any further information, please do not hesitate to contact me at your earliest convenience.

Yours very truly,

Devine Park LLP

[Signature]
Patrick J. Devine
PJD/SHL

Encl.
cc: 1908843 Ontario Inc.
    Louis Tinker, Bousfields
    Robert Freedman, Freedman Urban Solutions
    Alex Teixeira, Planner, City of Toronto
    Julie Bogdonowicz, Urban Design, City of Toronto