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September 9, 2018

Via Email and Courier

Without Prejudice and Confidential

Mark Crawford
City of Toronto, Legal Department
26th Floor - Metro Hall
55 John Street
Toronto ON M5V 3C6

Dear Sirs/Mesdames:

**Re: Revised Proposal
RFT Holdings Corp.
LPAT Case No. PL150634**

We are the solicitors acting on behalf of RFT Holdings Corp. (the "Company"). The Local Planning Appeal Tribunal approved in principle zoning by-law amendments for the lands municipally known as 10 St. Mary Street, 79-85 St. Nicholas Street and 718 Yonge Street (the "Existing Site") with the support of the City of Toronto, based on a settlement proposal advanced by the Company at the May 24, 2017 Settlement Hearing (the "Existing Settlement"). The Tribunal's final Order was withheld pending the satisfaction of a number of conditions.

We are writing to propose a revised settlement offer based on the expansion of the development site to include additional properties within the block, which provides an opportunity for meaningful improvements to the Yonge Street frontage through the conservation of four additional listed heritage properties, an enhanced public realm, as well as adjustments to the proposed tower, which include improvements to the access and servicing arrangements for the development (the "Revised Proposal").

Specifically, the Company has acquired the private laneway (previously part of 720 Yonge Street; see Committee of Adjustment File No. B0007/18TEY, approved March 28, 2018) and the listed heritage properties at 710, 712, 714 and 716 Yonge Street (collectively, the "Additional Properties").

Collectively, the proposed changes to the Existing Settlement result in an enhanced development, as reflected in the materials enclosed in support of the Revised Proposal, which include the following:

1. Seven (7) copies of the Architectural Drawings prepared by Architects Alliance Inc., dated August 31, 2018;

2. Two (2) copies of the Planning Rationale Addendum Letter by Bousfields Inc., dated September 7, 2018;
3. Two (2) copies of the Heritage Impact Assessment prepared by ERA Architects Inc., dated September 7, 2018;
4. Two (2) copies of the Transportation Impact Study Update Letter, prepared by LEA Consulting Ltd, dated September 7, 2018; and
5. Two (2) copies of the Functional Servicing and Stormwater Management Implementation Report dated September 7, 2018.

Additional materials in support of the Revised Proposal will be submitted by the Company in conjunction with the forthcoming application for Site Plan Approval. Further details of the Revised Proposal are set out below.

Revised Settlement Offer – Details

On behalf of the Company, we propose that a settlement based on the Revised Proposal proceed in accordance with the following:

1. The Company and the City of Toronto will jointly request that the Local Planning Appeal Tribunal (on a date to be scheduled), approve zoning by-law amendments in respect of each of By-laws 438-86 and 569-2013, as amended, for the Expanded Site which would permit the construction and use of a mixed use building substantially in accordance with the settlement plans dated August 31, 2018, prepared by Architects Alliance Inc., and substantially in accordance with the following:
 - (a) Building height shall not exceed 170 metres (inclusive of mechanical penthouse);
 - (b) The proposed new massing shall fall within a 75 degree angular measured from a height of 18 metres at the Yonge Street property line;
 - (c) A minimum of 0.16 *parking spaces* per dwelling unit shall be provided and maintained on the lot for the exclusive use of residents;
 - (d) A minimum of 0.16 *parking spaces* per 100 square metres of non-residential gross floor area;
 - (e) A minimum of 2.0 metres of indoor residential amenity space per dwelling unit;
 - (f) A minimum of 0.85 metres of outdoor residential amenity space per dwelling unit; and
 - (g) A minimum of 35% of the total number dwelling units shall be provided as two bedroom units or larger, of which approximately 10% shall be provided as three bedroom units or larger(the "Proposed Development");
2. City Council require the completion by the Company of a Conservation Plan prepared by a qualified heritage consultant that is substantially in accordance with the revised HIA,

prepared by ERA Architects Inc., dated September 7, 2018 (the "Revised HIA"), to the satisfaction of the Senior Manager, Heritage Preservation Services, and authorize and/or permit the following:

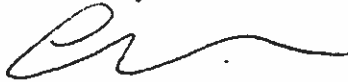
- (a) the entering into of Heritage Easement Agreement(s) for the Additional Properties at 710 Yonge Street, 712 Yonge Street, 714 Yonge Street and 716 Yonge Street; and
 - (b) the alterations, described collectively by the attached plans and the Revised HIA, to the existing office building (10 St. Mary Street), 81 and 85 St. Nicholas Street and 710 Yonge Street, 712 Yonge Street, 714 Yonge Street, 716 Yonge Street and 718 Yonge Street, including the relocation of the retained heritage elevations of 81 and 85 St. Nicholas Street, as well as the principal (west) elevations, approximately 1.7 metres to the south in order to facilitate access to the loading facilities via the private laneway and the introduction of additional retail uses along the St. Mary Street frontage; and
3. City Council direct Staff to request the Local Planning Appeal Tribunal to approve such modifications, if any, as may be required to permit the Proposed Development to the Historic Yonge Heritage Conservation District, Official Plan Amendment 352 and By-laws 1106-2016 & 1107-2016, Official Plan Amendment No. 183, Official Plan Amendment No. 199, Official Plan Amendment No. 231 and the future Downtown Secondary Plan, or otherwise provide relief from such instruments as necessary in order to reflect the terms of this settlement.

This proposed settlement is conditional on City Council accepting the within settlement offer at its meeting scheduled to commence on December 4, 2018.

Should you require further information please do not hesitate to contact the undersigned.

Yours truly,

McCarthy Tétrault LLP



Cynthia A. MacDougall

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c: Jennifer Renaud (with enclosures)

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January 17, 2019

Via Email and Courier

Without Prejudice and Confidential

Mark Crawford
City of Toronto, Legal Department
26th Floor - Metro Hall
55 John Street
Toronto ON M5V 3C6

Dear Sirs/Mesdames:

**Re: Addendum to Settlement Offer dated September 9, 2018
RFT Holdings Corp.
LPAT Case No. PL150634**

We are the solicitors acting on behalf of RFT Holdings Corp. (the “**Company**”). The Local Planning Appeal Tribunal approved in principle zoning by-law amendments for the lands municipally known as 10 St. Mary Street, 79-85 St. Nicholas Street and 718 Yonge Street (the “**Existing Site**”) with the support of the City of Toronto, based on a settlement proposal advanced by the Company at the May 24, 2017 Settlement Hearing (the “**Existing Settlement**”). The Tribunal’s final Order was withheld pending the satisfaction of a number of conditions.

Following the conditional approval of the Existing Settlement by the Tribunal in 2017, the Company has expanded the development site through the acquisition of the private laneway (previously part of 720 Yonge Street; see Committee of Adjustment File No. B0007/18TEY, approved March 28, 2018) and the listed heritage properties at 710, 712, 714 and 716 Yonge Street (collectively, the “**Additional Properties**”).

We are writing to propose an addendum to the Settlement Offer dated September 9, 2018 (the “**September Settlement Offer**”) based on a consolidated development site which includes the Additional Properties as well as the Existing Site (the “**Development Site**”).

The proposal as described below provides for the conservation of four additional listed heritage properties at 710-716 Yonge Street, an enhanced public realm and adjustments to the proposed tower, which include improvements to the access and servicing arrangements for the development.

In order to eliminate the potential for confusion, we are restating the proposed terms as well as the revised terms, so that that this addendum letter is comprehensive and fully replaces the earlier Settlement Offer. In this regard, on behalf of the Company, we propose that a settlement proceed in accordance with the following:

1. The Company and the City of Toronto will jointly request that the Local Planning Appeal Tribunal (on a date to be scheduled), approve zoning by-law amendments for the Development Site in respect of each of By-laws 438-86 and 569-2013, as amended, which would permit the construction and use of a mixed use building (the "**Development**"), subject to:
 - (a) Building height shall not exceed 170 metres (inclusive of mechanical penthouse);
 - (b) The proposed new massing shall fall within a 75 degree angular measured from a height of 18 metres at the Yonge Street property line;
 - (c) A minimum of 0.16 *parking spaces* per dwelling unit shall be provided and maintained on the lot for the exclusive use of residents;
 - (d) A minimum of 0.16 *parking spaces* per 100 square metres of non-residential gross floor area;
 - (e) A minimum of 2.0 metres of indoor residential amenity space per dwelling unit;
 - (f) A minimum of 1.0 metres of outdoor residential amenity space per dwelling unit; and
 - (g) A minimum of 35% of the total number dwelling units shall be provided as two bedroom units or larger, of which approximately 10% shall be provided as three bedroom units or larger.

2. The Development will be substantially in accordance with the plans and drawings prepared by Architects Alliance Inc., dated August 31, 2018 (the "**August Plans**"), subject to the replacement of Drawing Nos. A.9 – Ground Floor and A.23 – Building Elevations with the revised drawings enclosed herewith (the "**January Plans**") (collectively, the "**Settlement Plans**"), and such other revisions to the August Plans required to provide for the following:
 - (a) the retention in-situ of the principal (west) façade, and the disassembly and reconstruction (using as much salvaged material as feasible) of the north and south façades of the existing buildings at 81 and 85 St. Nicholas Street;
 - (b) the relocation of the vehicular loading access from the east side of St. Nicholas Street via the east-west portion of the private laneway, to the north side of St. Mary Street via the existing garage entrance located at the fifth bay east of St. Nicholas Street of the existing building at 10 St. Mary Street, subject to such alterations to the existing entrance required to accommodate such access;
 - (c) the retention of the existing brick paneling of two of the bays, the location of which will be determined as part of the site plan approval process for the Development, and replacement of the brick panelling of the remaining bays with windows/glazing on the ground floor of the south elevation of 10 St. Mary Street;
 - (d) the retention in-situ of the ground and second floor demising walls between the existing storefront buildings at 714, 716 and 718 Yonge Street to a depth of 4.5 metres from Yonge Street;

- (e) the reconstruction of the ground and second floor demising walls between the existing storefront buildings at 710 and 712 Yonge Street to a depth of 4.5 metres from Yonge Street; and
 - (f) the reconstruction of the second floors of the existing storefront buildings at 710-718 to a depth of 4.5 metres from Yonge Street.
3. In addition, the Company will enter into an Agreement with the City pursuant to Section 37 of the *Planning Act*, which secures, among other things, the payment of a cash contribution in the amount of \$3,100,000 at the time of the issuance of the first above-grade building permit (not including a demolition permit, heritage permit or building permit for heritage conservation) to be allocated to certain community benefits in the vicinity of the Development Site.
4. City Council require the completion by the Company of a Conservation Plan prepared by a qualified heritage consultant that is substantially in accordance with the revised HIA, prepared by ERA Architects Inc., dated January 17, 2019 (the "**Revised HIA**"), to the satisfaction of the Senior Manager, Heritage Preservation Services, and authorize and/or permit the following:
- (a) the entering into of Heritage Easement Agreement(s) for the Additional Properties at 710 Yonge Street, 712 Yonge Street, 714 Yonge Street and 716 Yonge Street; and
 - (b) the alterations, described collectively by the Settlement Plans, subject to the additional revisions noted in Item 2 above, and the Revised HIA to the existing office building (10 St. Mary Street), 81 and 85 St. Nicholas Street and 710 Yonge Street, 712 Yonge Street, 714 Yonge Street, 716 Yonge Street and 718 Yonge Street.
5. City Council direct Staff to request the Local Planning Appeal Tribunal to approve such modifications, if any, as may be required to permit the proposed Development to the Historic Yonge Heritage Conservation District, Official Plan Amendment 352 and By-laws 1106-2016 & 1107-2016, Official Plan Amendment No. 183, Official Plan Amendment No. 199, Official Plan Amendment No. 231 and the Downtown Secondary Plan, or otherwise provide relief from such instruments as necessary in order to reflect the terms of this settlement.

This proposed settlement is conditional on City Council accepting the within settlement offer at its meeting scheduled to commence on January 30, 2019.

In support of this addendum to the September Settlement Offer please find enclosed:

1. The following revised plans and drawings prepared by Architects Alliance Inc., dated January 17, 2019:
 - (a) Drawing No. A.9 – Ground Floor; and
 - (b) Drawing No. A.23 – Building Elevations; and
2. The revised Heritage Impact Assessment prepared by ERA Architects Inc., dated January 17, 2019.

Additional supporting materials will be submitted by the Company in conjunction with the forthcoming application for Site Plan Approval.

Should you require further information please do not hesitate to contact the undersigned.

Yours truly,

McCarthy Tétrault LLP

Cynthia A. MacDougall

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