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File No. 703209

March 20, 2019

**By E-Mail Only to [alex.suriano@toronto.ca](mailto:alex.suriano@toronto.ca) &  
[sarah.oconnor@toronto.ca](mailto:sarah.oconnor@toronto.ca)**

City of Toronto  
Legal Services Division  
Planning and Administrative Tribunal Law  
Metro Hall  
55 John Street, 26th Floor  
Toronto, ON M5V 3C6

**Attention: Alexander J. Suriano and Sarah O'Connor**

Dear Sirs/Mesdames:

**Re: Offer to Settle Rezoning Appeals for lands known municipally as  
470-474 Wellington St. West and 482 - 488 Wellington St. West  
(LPAT Case Nos. PL170893 and PL171231)**

We are writing as counsel for Doubledown Holdings Inc. ("Doubledown") and on behalf of Mark Noskiewicz, counsel for Hullmark (474 Wellington) LP ("Hullmark" and together with Doubledown, the "Owners"). This letter is further to my letter to you of February 28, 2019 wherein we, on behalf of the Owners, confirmed our client's *with prejudice* offer to settle based on the terms contained in that letter.

As you are aware, Doubledown is the owner of the property municipally known as 482-488 Wellington Street West and Hullmark is the owner of the property municipally known as 470-474 Wellington Street West. Doubledown's lands and Hullmark's lands are hereafter referred to as the "Combined Hullmark/Doubledown Property".

While each of the Owners had originally submitted *independent* applications for the redevelopment of their respective lands, by Mark Noskiewicz's letter to the City dated December 3, 2018, the Owners made a without prejudice offer to the City to settle their rezoning appeals on the basis of a revised, consolidated proposal for a single 14-storey (58.95m) office building with a 5-storey podium (the "Combined Proposal").

By Mr. Noskiewicz's letter of January 30, 2019, he advised the City and the other parties to the above-noted LPAT proceedings that the Revised Proposal was the Owners' "*with prejudice*" position. As a result of further cooperative work with the City's staff, the

Combined Proposal was further revised to reflect several issues that remained of concern to staff.

The Combined Proposal was further revised to reflect the continuing efforts of the Owners and staff which revisions were reflected in our aforementioned letter of the February 28, 2019.

Subsequent to the transmission of that letter, as a result of additional comments from staff, the Owners agreed to *further* refinements to the Owners' proposal (the "Revised Proposal").

This letter serves to confirm the complete terms of the Owners' *with prejudice* offer to settle including the attached plans reflecting the Revised Proposal. However, in addition to this offer, Schedule "A" to this letter contains a *without prejudice* supplement to that offer.

On a *with prejudice* basis, the Owners are refining their offer to the City to settle their rezoning appeals on the following *with prejudice* basis:

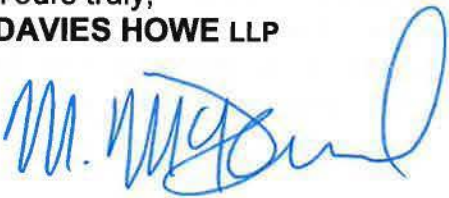
1. The Owners and the City will both support the Local Planning Appeal Tribunal ("LPAT") allowing the Owners' zoning appeals, by approving a zoning amendment that permits the redevelopment of the Combined Hullmark/Doubledown Property in accordance with the Revised Proposal, including the matters outlined below.
2. The height of the proposed office building, to the main roof line, will be reduced to 55m, with allowance for a mechanical penthouse above the 55m height, as illustrated on the attached plans.
3. The front setback at grade *up to and including* the 11<sup>th</sup> floor, shall be increased to +/- 9m with a *further increase* to 14m at the 12th floor.
4. The Conservation & Mitigation Strategy proposed in Section 8 of the Heritage Impact Assessment prepared by ERA Architects dated December 12, 2018 will be refined as follows:
  - a. there will be *in situ* retention of +/- 10.5m return walls of the east building of 488 Wellington St. West, rather than dismantling and rebuilding of such return walls;
  - b. the floors in the west building of 488 Wellington St. West will be replaced with new construction, and the floor levels will be adjusted to align with the new building;

- c. the floors in the east building of 488 Wellington St. West will be removed to provide a 5 storey atrium. A new timber frame interior retention structure will be provided within the atrium. This structure will be constructed to reference former floor levels and reflect the original warehouse timber structural system; and
  - d. a proposed lighting strategy will be incorporated into the atrium and retention structure, to both animate the atrium and façade.
5. The zoning amendment will provide for a Section 37 contribution in the amount of \$1,000,000, with such contribution allocated as follows:
  - a. \$800,000 for enhanced streetscape improvements similar to the enhanced streetscape improvements associated with “The Well”; and
  - b. \$200,000 as an affordable housing contribution.
6. If the Owners connect to Enwave District Heating/Cooling System, they will further reduce the size of the mechanical penthouse. Such commitment will be included in the aforementioned Section 37 Agreement as a legal convenience.
7. Our clients’ obligations vis-à-vis parkland conveyance for the proposal shall be satisfied through a payment of cash-in-lieu pursuant to section 42 of the *Planning Act* and associated City Parkland Dedication By-law.
8. The Owners and the City will request that the LPAT withhold its Order allowing the Owners’ zoning appeals until the following matters have been addressed:
  - a. the LPAT has been provided with the proposed zoning by-law amendment(s) in a form satisfactory to the City;
  - b. the Owners have entered into a Section 37 Agreement with the City, securing the matters outlined in item 5 above; and
  - c. the Owners have entered into a Heritage Easement Agreement with the City, securing the Conservation & Mitigation Strategy as outlined above.

As noted above, ***on a without prejudice basis*** in the event the City of Toronto accepts this offer, the Owners also agree to augment this offer as identified in Schedule “A” to the is letter.

Should you have any questions regarding this offer, please do not hesitate to contact the undersigned or Mark Noskiewicz. My contact information is set-out above and Mark may be reached at (416) 597-4136 or [mnoskiewicz@goodmans.ca](mailto:mnoskiewicz@goodmans.ca).

Yours truly,  
**DAVIES HOWE LLP**



per: Aaron I. Platt

AIP:AP  
encls.:

copy: Mark Noskiewicz, *Goodmans LLP*  
Clients