

Public Attachment 1

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January 21, 2020

Via Email and Courier

City of Toronto
c/o Kasia Czajkowski
26th Floor - Metro Hall
55 John Street
Toronto ON M5V 3C6

Dear Sirs/Mesdames:

**Re: Without Prejudice Settlement Offer
265 Balliol Street
Armico Holdings G.P. Inc.
LPAT Case No. PL180213**

We are the solicitors for Armico Holdings G. P. Inc. (the "**Company**"), the registered owner of the property municipally known as 265 Balliol Street (the "**Property**").

By way of background, the Company filed an Application to amend Zoning By-law No. 438-86 and By-law No. 569-2013, which was deemed complete as of October 17, 2017 (the "**Application**"). The Company appealed the Application to the Ontario Municipal Board, now continued as the Local Planning Appeal Tribunal (the "**Tribunal**"), on the basis of the City's failure to make a decision on the Application within the prescribed statutory timeframe (the "**Appeal**").

The Appeal was assigned Case No. PL180213. In its decision dated May 29, 2019, the Tribunal set a fourteen-day hearing of the Appeal to commence Monday, July 27, 2020.

At the request of the Company and the other parties to the Appeal (the "**Parties**"), the Tribunal held a two-day mediation hearing on November 21 and 22, 2019. Further to our discussions at the mediation, we write to make a without prejudice offer (the "**Settlement Offer**").

Notwithstanding that the Settlement Offer is without prejudice, it is not confidential. The Settlement Offer is subject to the conditions as set out below:

1. The **Parties** will appear before the LPAT in LPAT Case No. PL180213, at a date to be set as soon as possible for the purposes of a Settlement Hearing and will collectively request the approval of a zoning by-law(s) amendment (i.e. in respect of each of By-laws 438-86 and 569-2013, as amended,) which the Parties will work together to finalize in form and content (the "**Amending By-laws**") for the Property which will permit the construction and use of a new 27-storey residential building (the "**New Rental Building**"), substantially in accordance with the plans and drawings prepared by Quadrangle Architects, dated January 7, 2020, and NAK landscape plans, dated January 7, 2020 (collectively the "**Settlement Plans**"), attached as **Schedule A**, subject to the following conditions:

- (a) The proposed development (the "**Development**") will include the New Rental Building and will consist of:
- (i) A new tower with a maximum of 27-storeys, excluding mechanical penthouse;
 - (ii) A maximum residential gross floor area of 18,900.00 square metres to be located at and above the ground floor level and excluding any gross floor area located below the ground floor level, which density is in addition to the existing 26-storey rental building (the "**Existing Rental Building**") to be retained on the site;
 - (iii) A maximum of 233 new rental dwelling units, in addition to the existing rental dwelling units to be retained in the Existing Rental Building;
 - (iv) A minimum of 40 percent of the new rental dwelling units in the New Rental Building shall have 2 or more bedrooms, and a minimum of 10 percent of the new rental dwelling units in the New Rental Building shall have 3 bedrooms or more;
 - (v) An increased west side yard setback with respect to the New Rental Building of a minimum of 10.5 metres as reflected in the Settlement Plans.
 - (vi) Provision of a minimum of 150 square metres and no more than 190 square metres of non-residential gross floor area on the ground floor of the New Rental Building to be used for one or more of the following non-residential uses, as such uses are defined in By-law 569-2013, as amended, including uses ancillary thereto:
 - A. Art gallery, personal service shop, pet services, retail store, eating establishment, take-out eating establishment, outdoor patio; bicycle repair shop and wellness centre;
 - (vii) A privately owned, publicly accessible, mid-block pedestrian connection (the "**Pedestrian Clearway**"), to be secured by means of a surface pedestrian public easement, and provision for a potential future publicly accessible connection (the "**Potential Future Pedestrian Clearway**"), both as generally identified in **Schedule B** hereto, and further described in Section 3(f) and 3(g) below.
2. A cash-in-lieu of parkland dedication for the Development shall be made by the owner of the Property to the City prior to the issuance of the first above-grade building permit for the New Rental Building (the "**First Above-Grade Building Permit**"), in accordance with section 42 of the *Planning Act* and the City's parkland dedication by-law, as amended (as reflected in Chapter 415 of the City's Municipal Code), as they exist as of the date of this Settlement Offer, subject to Section 3(vi) below.

3. The Company will enter into an Agreement with the City pursuant to Section 37 of the *Planning Act*, which shall be executed prior to the issuance of the Tribunal's final order, securing the following on mutually satisfactory terms:

Cash Contribution

- (a) Payment of a cash contribution in the amount of one million dollars (\$1,000,000) prior to the issuance of the First Above-Grade Building Permit for the New Rental Building to be allocated to the Davisville Aquatic Centre;
- (b) in the event the cash contribution referred to above has not been used for the intended purpose set out in (a) above, within three (3) years of the Amending By-laws coming into full force and effect, the cash contribution may be redirected for another purpose, at the discretion of the Chief Planner and Executive Director, City Planning Division, in consultation with the Ward Councillor, provided that the purpose is identified in the Official Plan and will benefit the community in the vicinity of the Property; and
- (c) the above noted cash contribution shall be indexed upwardly in accordance with the Building Construction Price Index for Toronto Census Metropolitan Area, reported quarterly by Statistics Canada in Construction Price Statistics Publication No. 327-0058 or successor, calculated from the date of the Agreement to the date of payment.

Unit Mix

- (d) A minimum of 40 percent of new rental dwelling units in the New Rental Building shall have 2 or more bedrooms, and a minimum of 10 percent of the new rental dwelling units in the New Rental Building shall have 3 bedrooms or more;

New Affordable Housing

- (e) In accordance with the terms set out at **Schedule C** herein, for a period of 15 years, the Company shall provide as affordable rental unit housing the following:
 - (i) 23 rental dwelling units if the New Rental Building contains 233 or fewer rental dwelling units; or
 - (ii) 10% of the new rental dwelling units in the New Rental Building as affordable rental housing units if there are 234 or more new rental dwelling units in the New Rental Building;

with a unit mix of 11 one-bedroom units, 2 one-bedroom-plus-den units, 8 two-bedrooms, and 2 three-bedroom units. If the New Rental Building contains 234 or more new rental dwelling units, the unit mix will be as set out in **Schedule C**.

Pedestrian Clearway

- (f) The owner will provide a publicly accessible pedestrian walkway (the "**Pedestrian Clearway**"), to be secured by means of a surface pedestrian public

easement, in the location as generally shown on **Schedule B** attached hereto, the final location and design of which will be secured as part of and through the site plan approval process, the Pedestrian Clearway shall have a minimum width of 2.1 metres, unless otherwise satisfactory to the Chief Planner and Executive Director, City Planning Division (the "**Chief Planner**");

- (g) If within 10 years from the date of execution of the Section 37 Agreement redevelopment of the adjacent lands to the south of the Property, municipally known as 276-290 Merton Street (the "**East Merton Property**") and/or 250-260 Merton Street (the "**West Merton Property**"), receive(s) development approval through the enacting of the necessary amending zoning by-laws, and such approval secures the provision of a publicly accessible pedestrian clearway connection from Merton Street to the Property (the "**Merton Street Pedestrian Clearway**"), the owner agrees to provide a pedestrian walkway in addition to the Pedestrian Clearway commencing at a point on the boundary of the Property (the "**North South Connection**") within one of the areas identified as "Potential Future Pedestrian Clearway" on **Schedule B** subject to the following conditions:
- (i) For clarity, there shall be only the one North South Connection and thus it will provide a connection to either the East Merton Property or the West Merton Property, but not both;
 - (ii) The North South Connection will have a minimum east-west dimension of 2.1 metres, unless otherwise determined in the site plan approval process;
 - (iii) In the event the North South Connection is provided to the East Merton Property the North South Connection shall be extended to Balliol Street, and the extent and location of which shall respect and not conflict with the Development as approved and constructed on the Property;
 - (iv) The Chief Planner will notify the owner in writing that the City has secured the Merton Street Pedestrian Clearway in a binding written agreement with the subject Merton Street owner;
 - (v) Upon the City bona fide securing the Merton Street Walkway and notifying the owner as required above, the owner will make reasonable commercial efforts to obtain necessary approvals for and implement a North South Connection, subject to any approvals by the City or by any other required authorities.

Legal Convenience Matters

- (h) The following are matters to be identified within the Section 37 Agreement as matters being secured as matters of legal convenience:

Existing Rental Housing

- (i) In accordance with the terms set out in **Schedule D**, the Owner will continue to provide and maintain the existing 202 rental dwelling units in

the Existing Rental Building as rental housing for a minimum period of 20 years commencing from the date that the Zoning By-law Amendments come into full force and effect, with no applications for demolition or conversion from residential rental use during such 20-year period;

- (ii) The Owner will make improvements to the Existing Rental Building and the New Rental Building substantially in accordance with the Settlement Plans (the "**Improvements**"), to the benefit of the tenants in the Existing Rental Building and the New Rental Building, as follows:
 - A. For the tenants of the Existing Rental Building and the New Rental Building:
 - a) A new indoor amenity lounge on the ground floor of the Existing Rental Building with a minimum gross floor area of 50 square metres;
 - b) A new laundry room on the ground floor of the Existing Rental Building which shall replace the laundry room on the basement level, a portion of which shall be located adjacent to an exterior wall to provide views to the outdoor amenity area on the Property;
 - c) New storage area provided in the basement in the area of the Existing Rental Building vacated by the laundry room;
 - d) An indoor amenity space in the New Rental Building having a minimum gross floor area of 500 square metres;
 - e) An outdoor pet relief area; and
 - f) Two new outdoor patio areas in proximity to the Existing Rental Building;
 - B. For the tenants of the Existing Rental Building:
 - a) The provision of 48 new bicycle parking spaces in addition to the existing 48 bicycle parking spaces, for a total of 96 bicycle parking spaces for the use of tenants of the Existing Rental Building;

The cost of the Improvements will not be passed through to the tenants of the Existing Rental Building;

- (iii) The owner shall develop a Tenant Relocation and Assistance Plan with assistance and financial compensation provisions that extend beyond those provided under the *Residential Tenancies Act, 2006* based on the City's usual considerations and requirements as of the date of this Offer, all to the satisfaction of the Chief Planner and Executive Director, City Planning as set out in **Schedule D**;

- (iv) The owner shall develop a Tenant Communication Plan prior to the issuance of the first below building permit for the proposed Development of the Property to the satisfaction of the Chief Planner and Executive Director, City Planning; and
- (v) The owner shall develop a Construction Mitigation Plan prior to the issuance of the first below grade building permit for the proposed Development of the Property to the satisfaction of the Chief Planner and Executive Director, City Planning.

Parkland

- (vi) A cash-in-lieu of parkland dedication payment by the owner to the City prior to the issuance of the First Above-Grade Building Permit for the New Rental Building in accordance with section 42 of the *Planning Act* the City's parkland dedication by-law, as amended (as reflected in Chapter 415 of the City's Municipal Code), as they exist as of the date of this Settlement Offer, calculated based on the market value of the proposed new non-residential gross floor area and residential gross floor area as provided for and subject to the zoning by-law amendment, which contribution shall satisfy all current and future parkland dedication requirements in respect of the development (which does not exceed the permitted density in accordance with this Offer) in accordance with the *Planning Act*, or otherwise.

Other Matters

TLC Minutes of Settlement

- 4. There will be an acknowledgement in the recital clauses of the Section 37 Agreement of the currently anticipated settlement between the Toronto Lands Corporation and the Company, substantially in accordance with the Minutes of Settlement attached hereto as **Schedule E**, which Minutes will also be attached as a schedule to the Section 37 Agreement. The City will not be a party to the Minutes of Settlement, and the City will not be enforcing the Minutes of Settlement.

Functional Servicing Report

- 5. The Company has submitted on January 17, 2020 a revised Functional Servicing and Stormwater Management Report to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services Division. This revised Report includes details about how the Development will over control the stormwater discharge, and includes information as to how the Development's compliance with City requirements will ameliorate the current infrastructure situation in the area surrounding the Development.

Demolition Approval

- 6. Approval by City Council of the associated Rental Housing Demolition and Conversion application to demolish the seven existing rental townhouse units on the Property as part

of this Settlement Offer, including the matters being secured in a Section 111 Agreement, in accordance with this Offer.

Process Related Matters

7. The City Solicitor will prepare a settlement report, in accordance with the standard City protocols for consideration by the end of the **February 27, 2020** meeting of City Council for Council's consideration and action (the "**Solicitor's Report**").
8. The Company will withdraw its site specific appeal to the Local Planning Appeal Tribunal of Official Plan Amendment No. 320, prior to the Tribunal's final order issuing.
9. That SERRA confirm its support for, and acceptance of, this Settlement Offer prior to the community meeting proposed to be held by the local Councilor, and also confirm such support at the future LPAT proceeding.

This Settlement Offer is conditional on City Council accepting this proposal as set out in the Solicitor's Report, with such recommendations being consistent with the terms described herein, before the end of the City Council meeting scheduled to commence on February 27, 2020, as well as supporting the settlement in any hearing before the LPAT, which will be requested as soon as possible, including without limitation, any objections from third parties.

As a final matter, the Settlement Offer herein is conditional on the matters proposed to be provided by the Company herein being secured in a Section 37 Agreement and a Section 111 Agreement, and that the Development shall not thereafter be subject to any community benefits charge by-law passed or approved pursuant to the *More Homes, More Choices Act, 2019* or successor.

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

Yours truly,



Cynthia A. MacDougall
Partner

CAM

SCHEDULE A



Quadrangle Architects Limited
901 King Street West, Suite 701 Toronto, ON M5V 3H5
t 416 598 1240 www.quadrangle.ca

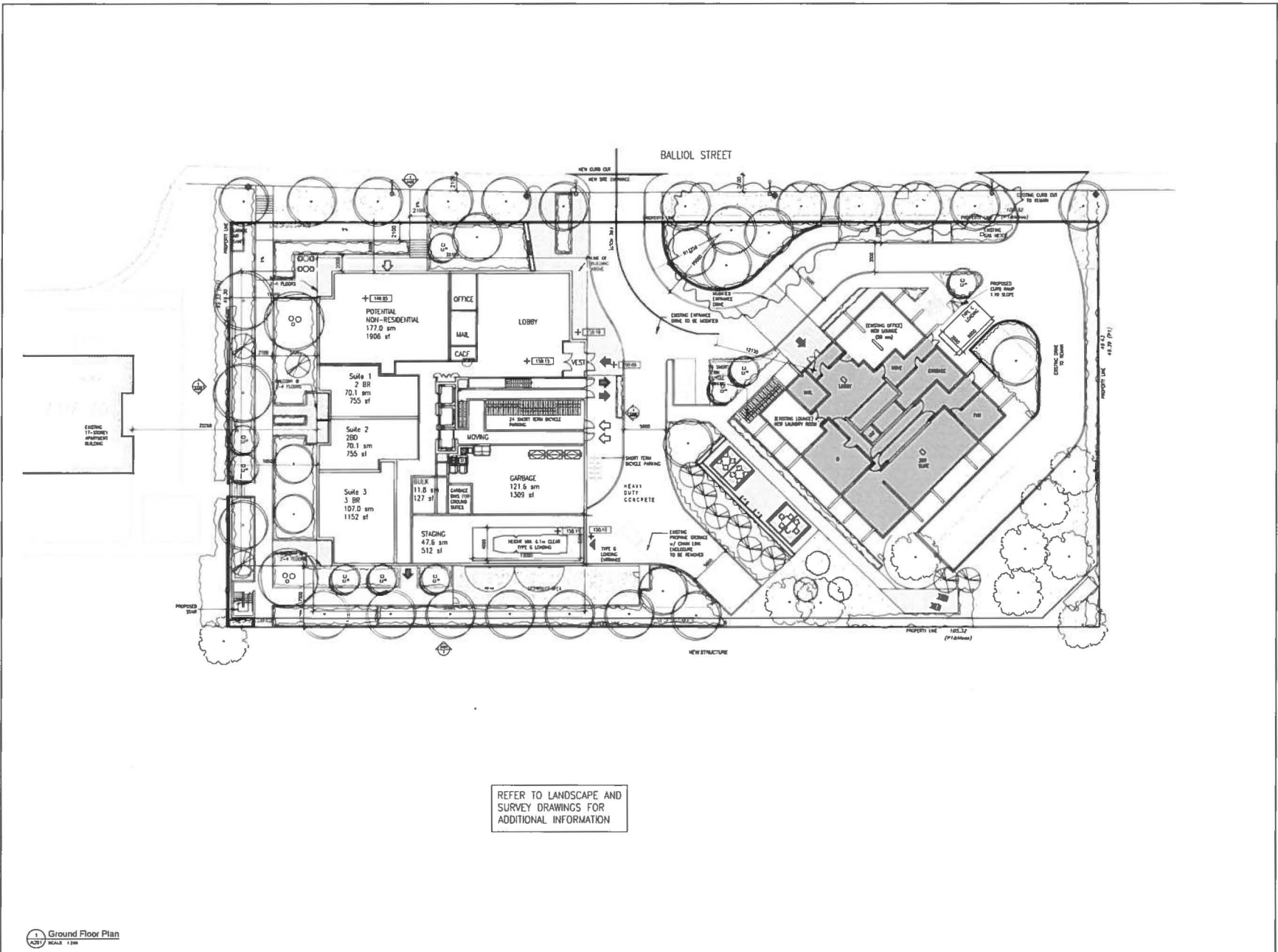
265 BALLIOL STREET

265 Balliol Street
Toronto, Ontario
for
Park Property Management

Project No. 16097
Date 7 January 2020
Issued for Rezoning Revisions

ARCHITECTURAL DRAWINGS

A100 STATISTICS
A101 SITE PLAN
A151 UNDERGROUND PARKING LEVEL P2
A152 UNDERGROUND PARKING LEVEL P1
A201 GROUND FLOOR PLAN
A202 SECOND FLOOR PLAN
A203 PLAN OF TYPICAL FLOORS 3 AND 4
A204 PLAN OF FLOOR 5
A205 PLAN OF TYPICAL FLOORS 6TH TO 27TH
A401 SOUTH ELEVATION
A402 NORTH ELEVATION
A403 WEST ELEVATION
A404 EAST ELEVATION



REFER TO LANDSCAPE AND SURVEY DRAWINGS FOR ADDITIONAL INFORMATION

Legend

- EXISTING STRUCTURE REFERENCE
- EXISTING REFERENCE
- NEW BUILDING ENTRANCE
- EXISTING ENTRANCE
- EXISTING DOOR
- NEW DOOR
- EXISTING WINDOW
- NEW WINDOW
- EXISTING ROOF
- NEW ROOF
- EXISTING PARKING SPACE
- NEW PARKING SPACE
- EXISTING TO REMOVE

REVISION RECORD

| | |
|------------|-------------------------|
| 2020-01-07 | Re-zoning Revisions |
| 2019-09-12 | Re-zoning Re-submission |
| 2017-08-03 | Re-zoning Application |



Quadrangle

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265 Balliol Street
 Toronto, ON
 for
**PARK PROPERTY
 MANAGEMENT**

16097 1:200 AE KB
 PROJECT SCALE DRAWN REVIEWED

Ground Floor Plan

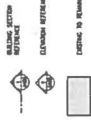
A201

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1 Ground Floor Plan
 SCALE 1:200

S:\16097-165-Balliol-Street-Property-Management\16097-165-Balliol-Street-Property-Management.dwg 2020-01-07 11:30 AM

Legend



REVISION NUMBER

| | |
|------------|------------------|
| 2020-01-07 | Revised Drawings |
| 2019-08-17 | Revised Drawings |
| 2017-08-08 | Revised Drawings |
| | ISSUE NUMBER |



Quadrangle

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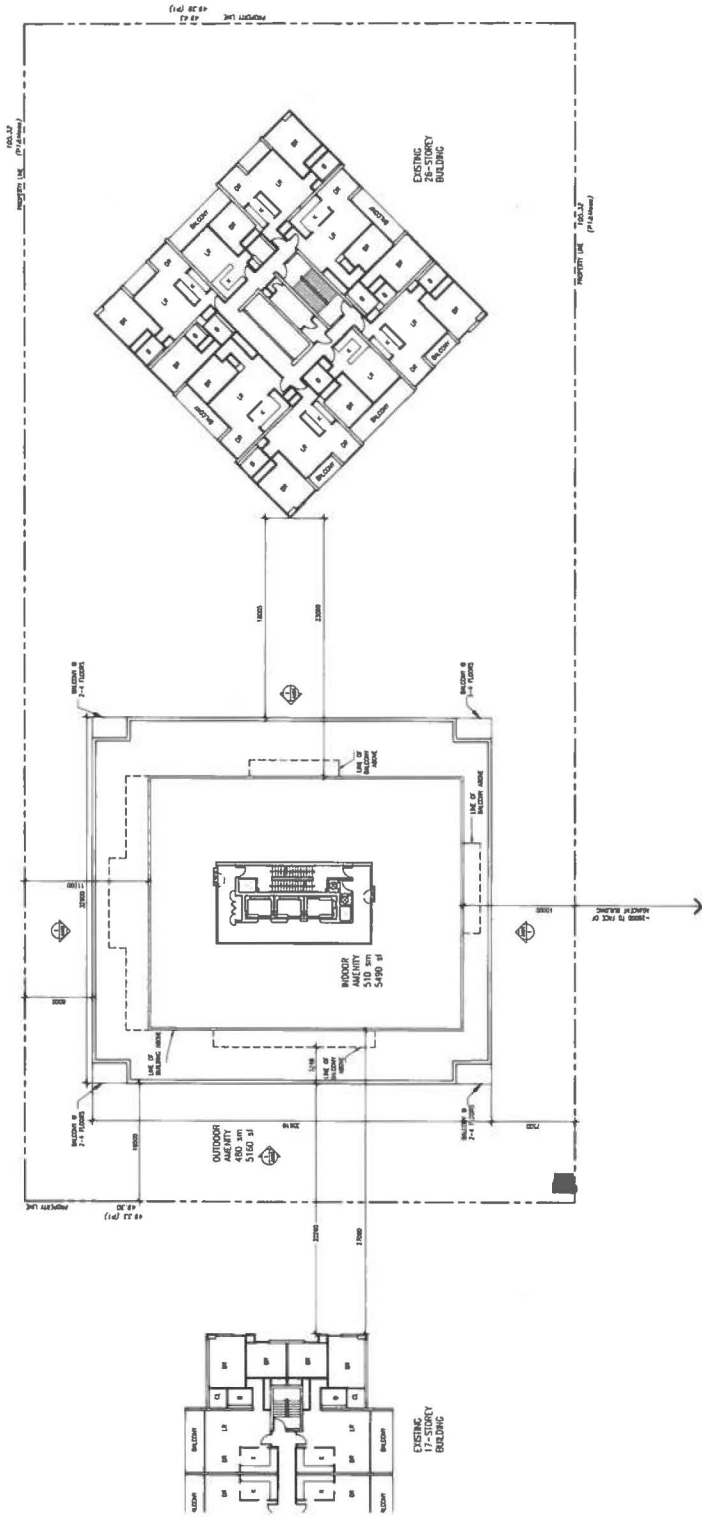
265 Balfour Street
 Toronto, ON
 for
**PARK PROPERTY
 MANAGEMENT**

16007 1:200 AE KB
 PROJECT NO. DRAWING NO.

Plan of Floor 5

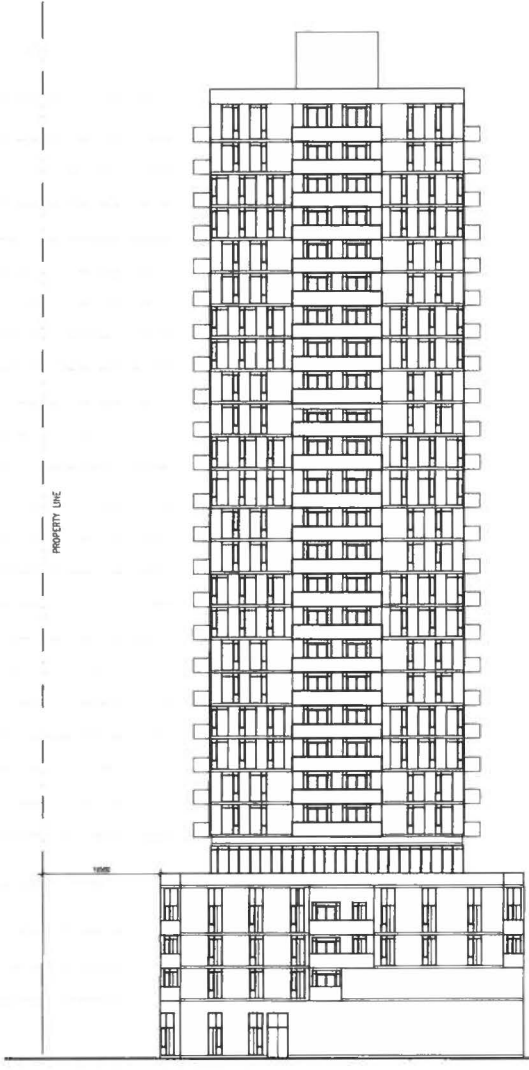
A204

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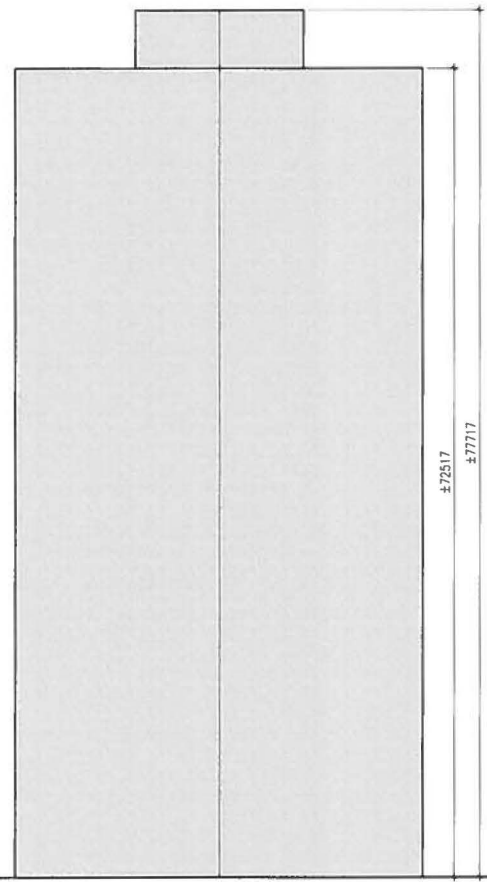


Plan of Floor 5
 SCALE: 1/8" = 1'-0"

MECH. PL. ROOF ± 11.1
 BUILDING ROOF ± 10.1
 27TH FLOOR ± 12.2
 26TH FLOOR ± 12.2
 25TH FLOOR ± 12.2
 24TH FLOOR ± 12.2
 23TH FLOOR ± 12.2
 22TH FLOOR ± 12.2
 21TH FLOOR ± 12.2
 20TH FLOOR ± 12.2
 19TH FLOOR ± 12.2
 18TH FLOOR ± 12.2
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 12TH FLOOR ± 12.2
 11TH FLOOR ± 12.2
 10TH FLOOR ± 12.2
 9TH FLOOR ± 12.2
 8TH FLOOR ± 12.2
 7TH FLOOR ± 12.2
 6TH FLOOR ± 12.2
 5TH FLOOR ± 12.2
 4TH FLOOR ± 12.2
 3RD FLOOR ± 12.2
 2ND FLOOR ± 12.2
 GROUND FLOOR ± 0.0
 ESTABLISHED GRACE ± 0.0
 UNDERGROUND PARKING LEVEL P1 ± 0.9
 UNDERGROUND PARKING LEVEL P2 ± 0.9



PROPOSED RESIDENTIAL BUILDING
27 Storeys



EXISTING APARTMENT BUILDING
265 Balliol Street
26 Storeys

1 South Elevation
SCALE 1:200

REVISION RECORD

| | |
|------------|---------------------------|
| 2020-01-02 | Re-zoning Reviews |
| 2019-08-12 | Re-zoning Recommendations |
| 2017-08-02 | Re-zoning Application |

Quadrangle

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265 Balliol Street
Toronto, ON
for
PARK PROPERTY
MANAGEMENT

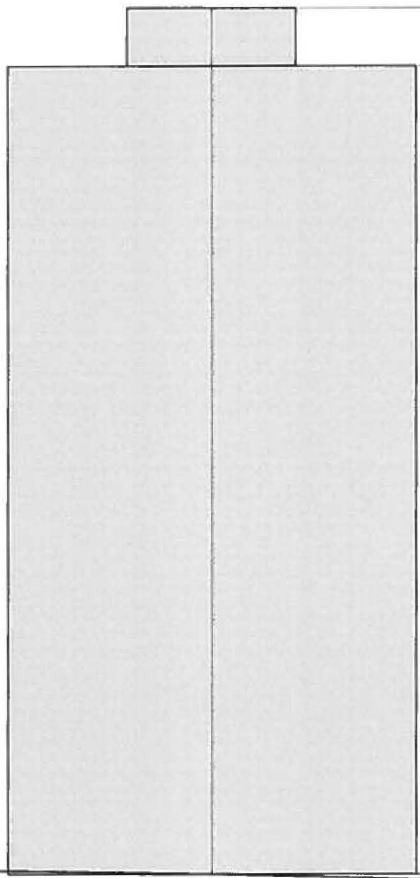
16097 1:200 AE KB
PROJECT SCALE DRAWN REVIEWED

South Elevation

A401

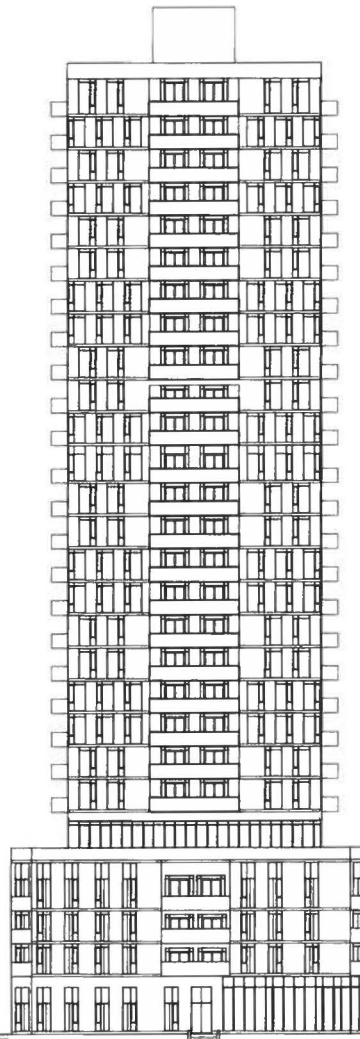
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PROPERTY LINE



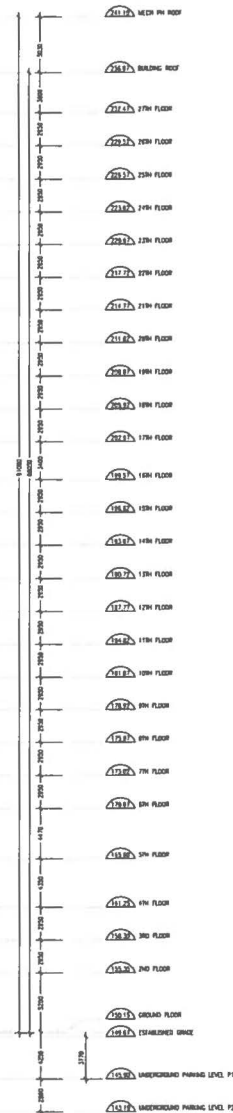
EXISTING APARTMENT BUILDING
265 Balliol Street
26 Storeys

±72517
±77717



PROPOSED RESIDENTIAL BUILDING
27 Storeys

PROPERTY LINE



North Elevation
SCALE 1:200

REVISION RECORD

| | |
|------------|----------------------|
| 2020-01-07 | Revising Dimensions |
| 2019-05-12 | Revising Roomnumbers |
| 2017-06-03 | Revising Application |

Quadrangle

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265 Balliol Street
Toronto, ON
for
PARK PROPERTY
MANAGEMENT

16097 1:200 AE KB
PROJECT SCALE DRAWN REVIEWED

North Elevation

A402

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REVISIONS RECORD

| NO. | DATE | DESCRIPTION |
|-----|------------|------------------------|
| 01 | 2015-01-17 | Planning/Preparation |
| 02 | 2015-06-17 | Planning/Re-submission |
| 03 | 2017-08-03 | Planning/Approval |
| 04 | 2018-08-08 | |



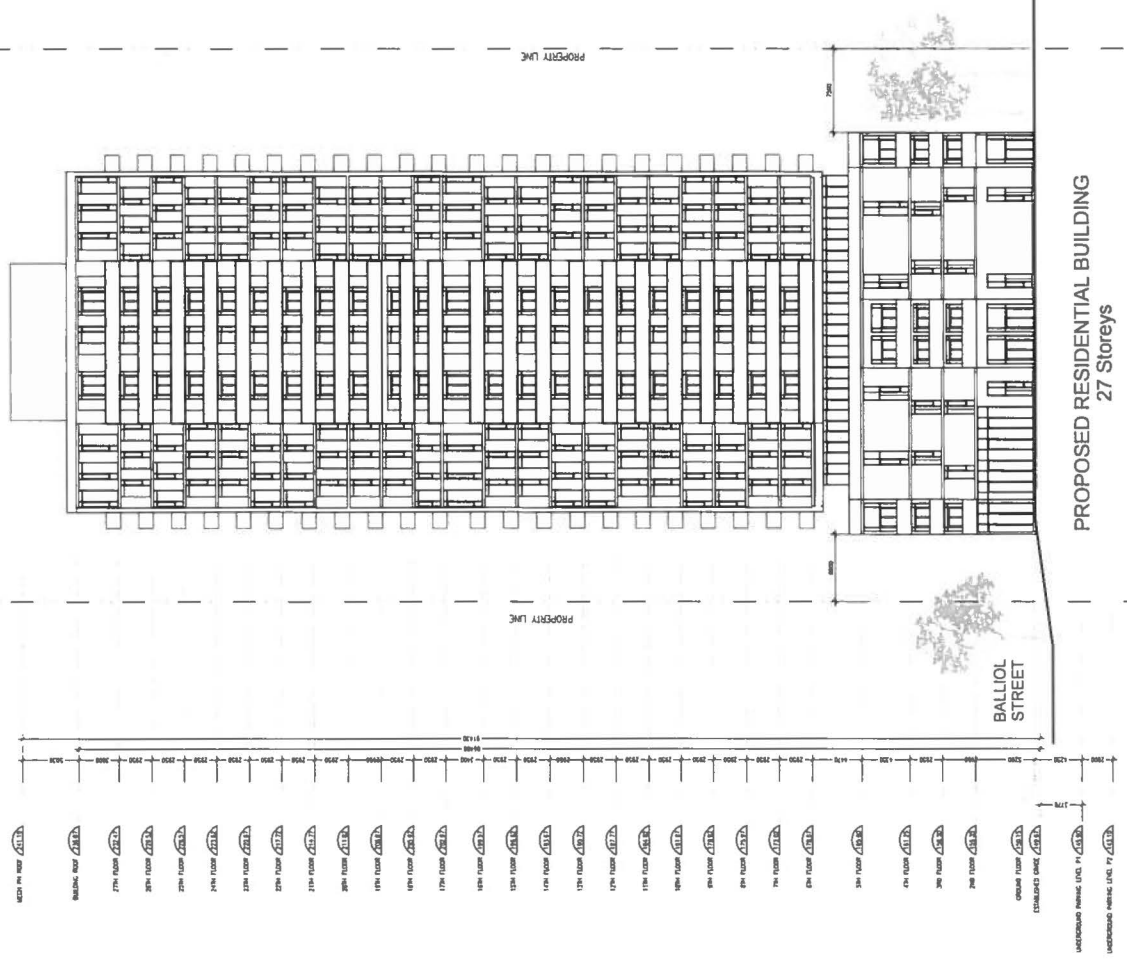
265 Balliol Street
Toronto, ON M5P 3K6
1-416-593-1348 www.quadrangle.ca

265 Balliol Street
Toronto, ON
for
PARK PROPERTY
MANAGEMENT

16097 1:200 AE KB
DATE: 2018.08.08

West Elevation
A403

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REVISION RECORD

| NO. | DATE | DESCRIPTION |
|------------|------------------------|-------------|
| 2015-01-01 | Planning Process | |
| 2015-08-17 | Planning Re-submission | |
| 2017-06-03 | Revised Application | |

TABLE RECORD



265 Balliol Street
Toronto, ON M5P 1A8
1-416-593-1345 www.quadrangle.ca

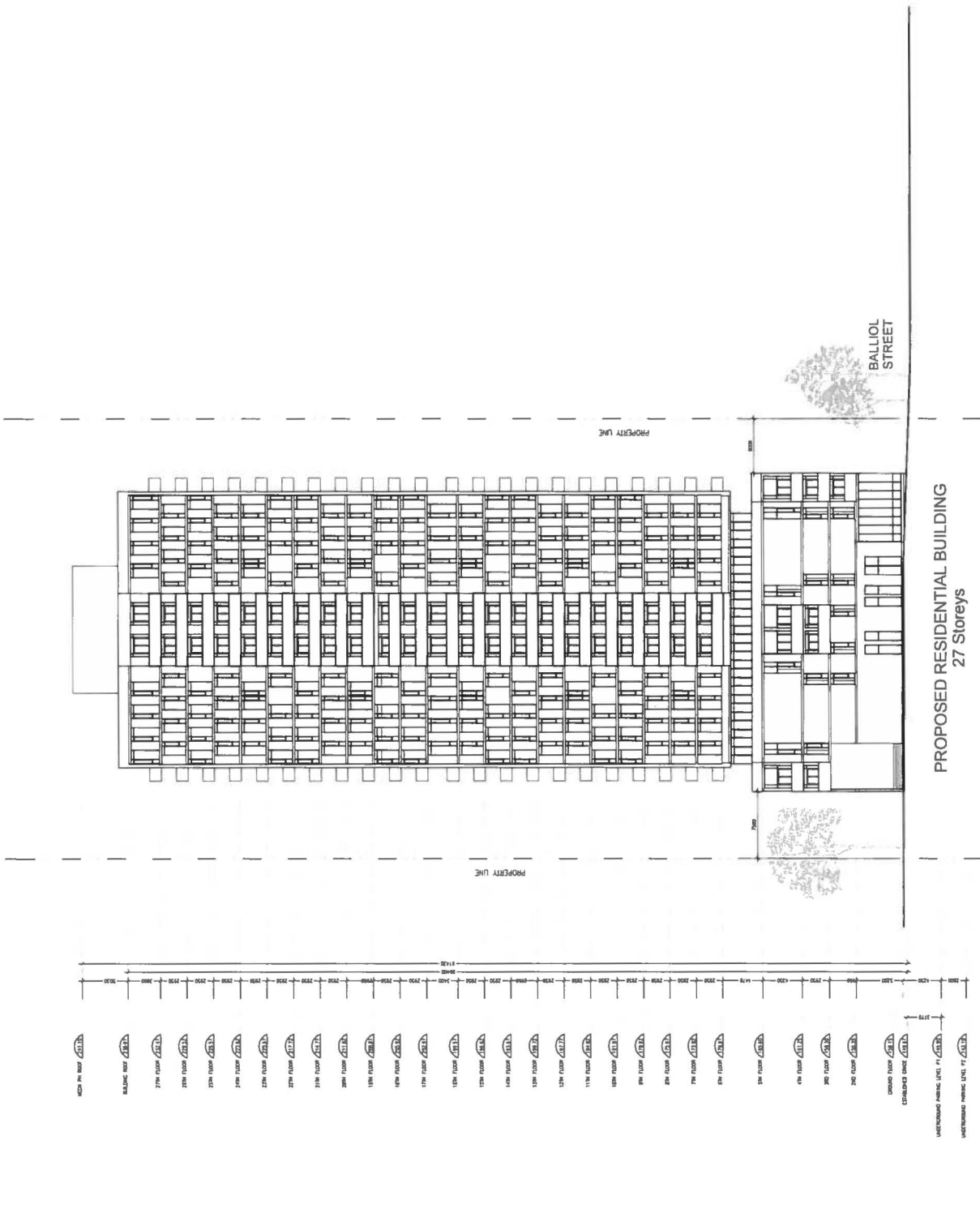
265 Balliol Street
Toronto, ON
for
**PARK PROPERTY
MANAGEMENT**

16097 1200 AE KB
PROJECT #1111 PLANNING SERVICES

East Elevation

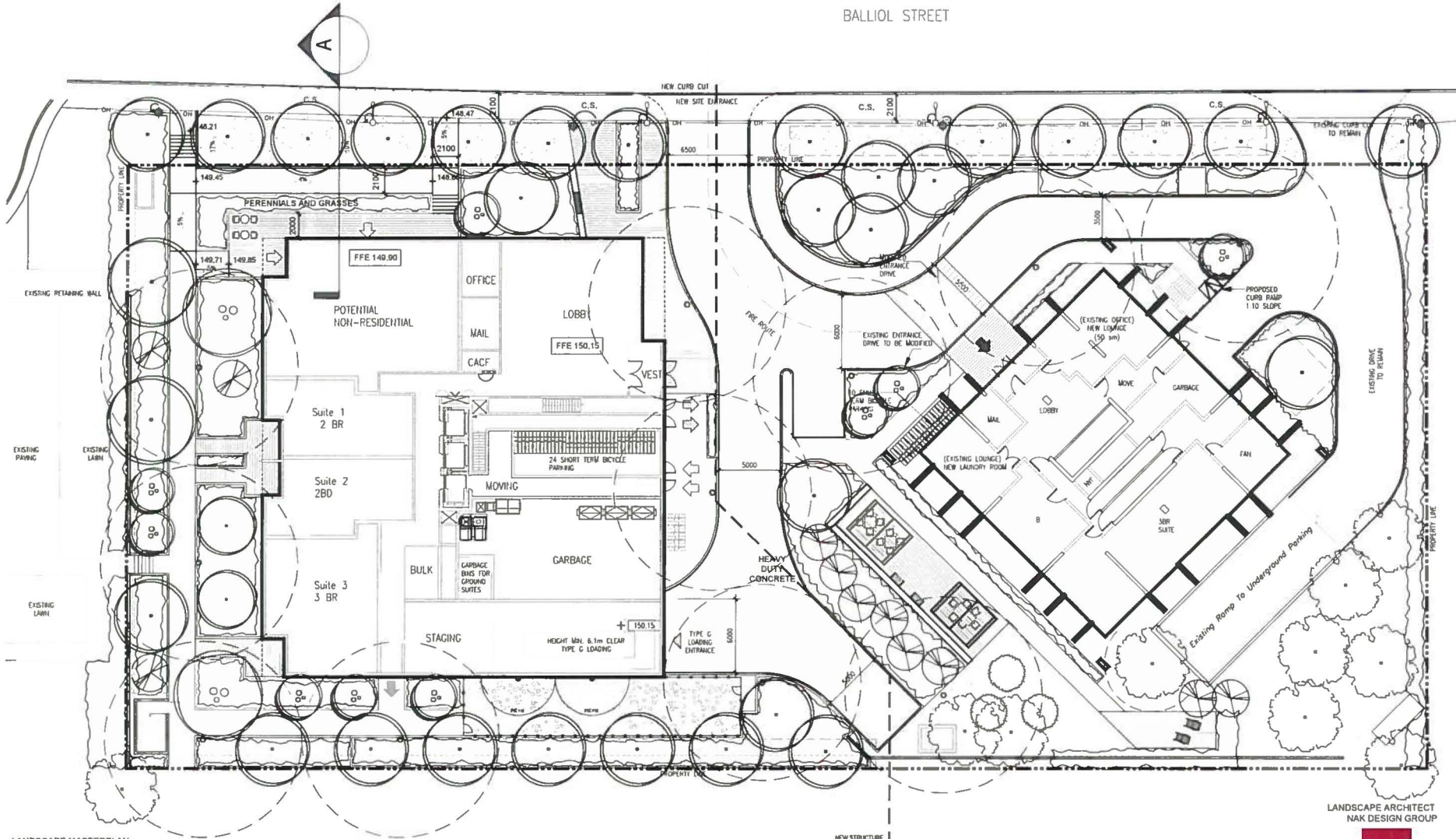
A404

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- 0.20
- 0.00

East Elevation
SCALE: 1/8" = 1'-0"



LANDSCAPE MASTERPLAN
 SCALE 1:300 @ 11x17
 07/JAN/2020

LANDSCAPE ARCHITECT
 NAK DESIGN GROUP

