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January 21, 2022

Our File No.: 192595

WITHOUT PREJUDICE

Via Email

City of Toronto Legal Services
Metro Hall
55 John Street, 26th Floor
Toronto, ON M5V 3C6

Attention: Marc Hardiejowski

Dear Sirs/Mesdames:

**Re: OLT Case No. PL210236 – 10-32 Raglan Avenue
Confidential and Without Prejudice Offer to Settle**

We are solicitors for Madison Raglan Ltd. in respect of the properties known municipally in the City of Toronto as 10-32 Raglan Avenue (the “**Property**”). We are writing on behalf of our client with a without prejudice settlement offer in respect of the above-noted matter. This settlement offer would remain open until the end of the City Council meeting scheduled to commence on February 2, 2021.

As you know, our client engaged in without prejudice settlement discussions with City staff over the last several months regarding the redevelopment proposal for the Property. These discussions have resulted in revised plans, prepared by Superkul Architects and attached to this letter as Schedule “B” (the “**Revised Plans**”). A summary table describing the revisions to the proposal is attached to this letter as Schedule “A”. Our client greatly appreciates the efforts of these parties in achieving this settlement.

The terms of this without prejudice settlement offer are as follows:

1. The settlement offer is based on the Revised Plans, which would be implemented through the resulting zoning by-law amendment(s).
2. The Revised Plans incorporate the following revisions:

- (i) a new public park with an approximate size of 252.4 square metres, together with an on-site indoor community space and outdoor community space, as set out in more detail below;
 - (ii) the podium has been reduced both in size and scale to accommodate the on-site parkland contribution and provide increased soft landscaping along Raglan Avenue, with the ground floor setback to the curb along Raglan Avenue increased to ten (10) metres;
 - (iii) the previously proposed 10.8-metre setback from the mid-point of the proposed tower to the north property line has been increased to 15.6 metres, the setback from the mid-point of the proposed tower to the centre of the east-west public lane is 12.5 metres, and the setback from the tower to the centre of the north-south public lane is 12.5 metres (resulting in a 26.0 metre separation to the tower face of the building at 99 Vaughan Road);
 - (iv) the proposed residential lobby has been moved to the south end of the Property, with inclusion of pet amenities on the ground floor;
 - (v) the previously proposed townhouses along the east-west public lane to the south of the Property have been changed to live/work units; and,
 - (vi) all vehicular and loading access is now proposed from the rear lane, which has eliminated the northern curb cut previously proposed.
3. Our client agrees to secure certain additional matters as a means of legal convenience through a Section 37 agreement, as follows:
- (i) the conveyance of the new public park (approximately 252.4 square metres) for nominal consideration to the City, in a condition satisfactory to the General Manager, Parks, Forestry & Recreation, free and clear of all physical encroachments and obstructions above and below grade and not encumbered by any easements or interests in land above and below grade, in accordance with all City policies in respect of the environmental condition of lands conveyed to the City;
 - (ii) pedestrian lighting, owned and operated by the building owner, for the east-west and north-south laneway surfaces, with the design and specifications to the satisfaction of City Planning staff, as part of the site plan approval process;
 - (iii) the micro-retail space, as shown on the Revised Plans, and the four (4) live/work units that front onto the east-west public lane to the south of the

Property, to the satisfaction of City Planning staff as part of the site plan approval process; and,

- (iv) a minimum of 10% of the residential units to be secured as three-bedroom units.

4. Our client would agree to secure the following as a Section 37 contribution:

- (i) our client agrees to convey, in fee simple interest, to the City, for nominal consideration and at no cost to the City, an indoor community space with an area of approximately 2,646 square feet and a surface easement to be registered on title of the future condominium for the exclusive use and enjoyment of any tenant and/or users of the indoor community space, as a public pedestrian walkway, over an area of approximately 1,468 square feet, with the locations as shown on the Revised Plans, in accordance with the City's standard terms and conditions contained within the Community Space Term Sheet, to the satisfaction of the Executive Director, Corporate Real Estate Management, the Executive Director, Social Development, Finance and Administration, the Chief Planner and Executive Director, City Planning, and the City Solicitor, and the terms as prescribed in this letter, recognizing recognizing that small adjustments to both the indoor community space and the area of the surface easement may be required in the future to ensure adequate exiting requirements for the residential portion of the development;
- (ii) to secure the above-noted indoor community space and surface easement, prior to the issuance of the first above-grade building permit, the owner shall provide a letter of credit in an amount equivalent to one hundred and twenty percent (120%) of the estimated cost of the design, construction and conveyance of such community space, as determined by a cost consultant retained by the owner, complying with the specifications and requirement below and secured in the Section 37 Agreement, to the satisfaction of the Executive Director, Corporate Real Estate Management, the Executive Director, Social Development, Finance and Administration, the Chief Planner and Executive Director, City Planning, and the City Solicitor;
- (iii) the initial tenant and use of the community space will be determined by the City's Community Development Unit (part of Social Development, Finance & Administration Division) in accordance with the City's Community Space Tenancy Policy and that such community space shall be used for municipal purposes in accordance with the then-current by-law, with no ability for determination of the use of the space to be transferred to another

City agency, prior to the execution of the initial lease, without the consent of the owner, which may be unreasonably withheld;

- (iv) an indexed cash payment of \$400,000, to be paid prior to the first above-grade building permit, to be allocated for future capital improvements, in addition to the base building improvements as outlined below;
- (v) the requested base building improvements for the above-noted community space, including a kitchen, single washroom and janitor's closet, provided that our client, in its sole discretion, working its architect and engineers, and acknowledging the demand and intended use of the above-noted community space, will determine:
 - (A) the location and design/layout of the kitchen, single washroom and janitor's closet, with the owner retaining sole discretion for material, fixture and appliance selection; and,
 - (B) the size and location for the stubbed utility connections, location of base building lighting required for non-residential occupancy under the Ontario Building Code, and the location of all electrical outlets and telecom conduits;
- (vi) the term sheet and specifications for the above-noted community space will require further negotiation regarding certain matters, including but not limited to the following:
 - (A) the City and future tenant(s) will be solely responsible for the costs of any signage on the exterior of or within the above-noted community space, with our client agreeing to provide structural support and electrical conduit(s) to the City for installation of such signage at a later date;
 - (B) our client will provide a sub-metered connection to the building heating and cooling system, as well as HVAC and venting, required to achieve non-residential occupancy requirements of the Ontario Building Code;
 - (C) an acoustic ceiling to be installed by the City and/or any future tenant as per the specifications of our client;
 - (D) our client and the City agree that concrete floors will be non-finished concrete within 1/4-inch flatness over ten (10) feet;

- (E) all ancillary uses for the community space, such as garbage and bicycle storage, will be addressed within the footprint of the community space;
 - (F) our client agrees to provide a second door to the rear laneway;
 - (G) our client, in its sole discretion, shall determine the finish level of the above-noted outdoor community space, which shall include landscaping pavers adjacent to the public park and landscaping in accordance with site plan approval requirements along Raglan Avenue, with no additional finishes and/or property delineation required adjacent to the public park; and,
 - (H) our client shall provide the City with access to one (1) visitor vehicle parking space on a first-come/first-served basis at all times, with no individual car permitted to park for longer than eighteen (18) hours in any continuous period, and with a requirement for any user of such visitor vehicle parking space to attain parking permit (if available) and check-in with building security.
- (vii) an indexed cash payment of \$100,000, to be paid prior to the first above-grade building permit, to be allocated by the Chief Planner for use by the City for local area roadway improvements in the vicinity of the Property, in consultation with the local ward councillor; and,
 - (viii) an indexed cash payment of \$50,000, to be paid prior to the first above-grade building permit, to be allocated for a bike share station in the vicinity of the Property.

Our client agrees that, in the event City Council accepts this without prejudice settlement offer, the final order of the Ontario Land Tribunal would be withheld pending:

- confirmation that the required zoning by-law amendment(s) are in final form and content, to the satisfaction of the Chief Planner and Executive Director, City Planning;
- confirmation that the owner has addressed all outstanding issues raised by Engineering Construction Services as they relate to the Zoning By-law Amendment Application, to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services;
- approval of an updated wind tunnel study based on the Revised Plans, to the satisfaction of City Planning staff;

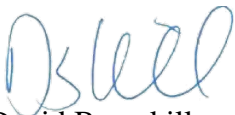
- approval of a transportation demand management plan, to the satisfaction of City Transportation staff, including among other measures a bicycle repair station and a letter of intent from a car-share operator for the proposed six (6) car-share spaces;
- approval of a Rental Housing Demolition Application, pursuant to Section 111 of the *City of Toronto Act, 2006*, in respect of the four (4) residential rental units existing on the Property,;
- execution and registration of a Section 37 agreement, to the satisfaction of the City Solicitor, to secure the community benefits outlined above in accordance with the *Planning Act* before it was amended by Bill 108 and Bill 197, as well as any matters of legal convenience to implement the matters listed above.

As noted above, this without prejudice settlement offer will remain open until the end of the City Council meeting scheduled to commence on February 2, 2022, after which it should be considered as withdrawn.

Our client greatly appreciates the hard work of City staff that had enabled the presentation of this settlement offer to City Council.

Yours truly,

Goodmans LLP



David Bronskill
DJB/ bp

cc: Client

SCHEDULE “A” – SUMMARY OF REVISIONS

	June 2020 ZBA Submission	January 2022 Revised Plans
On-Site Parkland	N/A	~252 square metres
Indoor Community Space	N/A	~2,646 square metres
Outdoor Community Space	N/A	~1,468 square metres
Indoor Amenity Space	949 square metres	~1,031.50 square metres
Outdoor Amenity Space	647 square metres	~565 square metres
Pet Amenity Space	No	Yes
Micro-Retail Space	No	Yes
Live/Work Units on Lane	No	4 Units
Ground Floor Setback to Curb Raglan Avenue	7.5 metres	10.0 metres
Podium Setback to North Property Line	4.8 metres	11.8 metres
Podium Setback to Centreline of West Lane	8.0 metres	5.5 metres
Podium Setback to Centreline of South Lane	5.5 metres	5.5 metres
Podium Setback to East Property Line	0.0 metres	3.2 metres
Tower Setback to North Property Line	10.7 metres	15.6 metres
Tower Setback to Centreline of West Lane	12.0 metres	12.5 metres

	June 2020 ZBA Submission	January 2022 Revised Plans
Tower Setback to Centreline of South Lane	15.3 metres	12.5 metres
Tower Setback to Mid-Point of East Property Line	5.3 metres	6.7 metres

SCHEDULE “B” – REVISED PLANS

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