

CONFIDENTIAL ATTACHMENT 2

Isaac Tang
T 416.367.6143
F 416.367.6749
itang@blg.com

Borden Ladner Gervais LLP
Bay Adelaide Centre, East Tower
22 Adelaide Street West
Toronto ON M5H 4E3
Canada
T 416-367-6000
F 416-367-6749
blg.com



WITHOUT PREJUDICE

File No. 037175/000002

March 1, 2022

Delivered by Email (Sara.Amini@toronto.ca)

Sara Amini
Solicitor, Planning and Administrative Tribunal Law
City of Toronto Legal Services
Metro Hall, 26th floor
55 John Street
Toronto, ON M5V 3C6

Dear Ms. Amini:

**Re: OLT Case No. PL210208 – 2872, 2880 & 2882 Kingston Road, City of Toronto
City of Toronto Planning Application Number: 18 255250 ESC 36 OZ
Settlement Offer to Address City’s Issues List**

We are legal counsel to 9887725 Canada Inc. and 10156507 Canada Corp., operating as Artlife Developments (together, “**Artlife**”), the owners of the property municipally known as 2872, 2880 and 2882 Kingston Road, in the City of Toronto (the “**Subject Property**”). Artlife made an application to the City in 2019 to redevelop the Subject Property with a 10-storey mixed use building consisting of 145 residential units atop ground floor commercial space with three levels of underground parking (the “**Proposed Development**”).

Scheduled Hearing and Settlement Offer

A hearing on the merits of the Proposed Development is scheduled to commence on June 28, 2022 for 8 days before the Ontario Land Tribunal (the “**Tribunal**”). A Procedural Order has been issued on October 6, 2021 and includes a list of 22 issues at Attachment 3, including issues raised by other parties to the appeal (the “**Issues List**”).

Following very productive meetings between our client’s consultants with City staff, we are pleased to provide a settlement offer to resolve all but three of the City’s issues related to sanitary sewer capacity as set out in the Issues List, being Issues 7, 12 and 14 (the “**Sanitary Sewer Issues**”) on the following terms and conditions (the “**Settlement Offer**”):

1. Artlife agrees to revise the Proposed Development substantially in accordance with the plans and drawings attached as **Attachment 1** (the “**Revised Development**”). The updated shadow studies based on the Revised Development are provided as **Attachment 2**.

The revisions include the following:

- a. Reduction of total GFA from approximately 9,437 m² to 9,232 m², while maintaining ground floor commercial space at approximately 295 m²;
 - b. Reduction of overall density from 4.99 FSI to 4.88 FSI;
 - c. Revised building form to improve transition to *Neighbourhoods*, including increased stepbacks to the north property line from 7.0m to 8.5m on the 6th floor, from 9.7m to 11.5m on the 7th floor, and from 12.7m to 14.5m on the 8th floor;
 - d. Reduced width of projecting balconies along the northern façade of the 2nd to 5th floors to address privacy and overlook concerns to adjacent neighbourhood;
 - e. Removed all 10th floor units, replacing them with outdoor amenity areas and relocated mechanical roof, leading to an excess of over 100 m² in outdoor amenity space than required under the zoning by-law;
 - f. Relocated mechanical penthouse on the 10th floor to minimize shadow impacts with confirmation that the size of the mechanical penthouse is sufficient to accommodate both standard and geothermal heating options;
 - g. Reduction of seven (7) residential units from 145 to 138 units, while exceeding the unit mix required for large units under the City’s Growing Up Guidelines;
 - h. Reduced parking from three to two levels but maintaining 96 effective parking spaces, consistent with the City’s efforts to reduce parking along transit infrastructure corridors and automobile dependency.
2. Artlife agrees to seek approval of revised Zoning By-law Amendment(s) to provide site-specific provisions to permit the Revised Development at the hearing before the Tribunal.
 3. Artlife and the City agree to continue their settlement discussions to attempt to resolve the Sanitary Sewer Issues in advance of the hearing.
 4. Subject to the Tribunal’s determination of the Sanitary Sewer Issues, if these issues have not been resolved in advance of the hearing, Artlife and the City agree to request that the revised Zoning By-law Amendment(s) be approved by the Tribunal, but the final Order withheld, until such time as the City Solicitor confirms to the Tribunal that:
 - a. the final form and content of the draft Zoning By-law Amendment(s) are satisfactory to the City Solicitor and the Chief Planner and Executive Director, City Planning, in consultation with the Chief Engineer and Executive Director, Engineering and Construction Services;
 - b. the owner has at its sole expense provided a Functional Servicing Report, Stormwater Management Report and Hydrogeological Review (the “Engineering Reports”) satisfactory to the Chief Engineer and Executive Director, Engineering and Construction Services and the General Manager, Toronto Water;

- c. the owner at its sole expense designed and provided financial securities for any upgrades or required improvements to the existing municipal infrastructure identified in the accepted Engineering Reports to support the development, all to the satisfaction of the Chief Engineer and Executive Director, should it be determined that improvements or upgrades are required to support the development, according to the accepted Engineering Reports, accepted by the Chief Engineer and Executive Director, Engineering and Construction Services and the General Manager, Toronto Water; and
- d. the implementation of the Engineering Reports accepted by Chief Engineer and Executive Director, Engineering and Construction Services and the General Manager, Transportation Services do not require changes to the proposed amending By-laws or any such required changes have been made to the proposed amending By-laws to the satisfaction of the Chief Planner and Executive Director, City Planning and the City Solicitor.

For greater certainty, the Settlement Offer is based on the understanding that the City will agree that all of its issues on the Issues List are resolved through the Revised Development on the terms and conditions above, regardless of whether other parties and/or participants involved in the hearing resolve their issues with Artlife in whole or in part for this appeal.

According to the Procedural Order, the deadline for Artlife to provide copies of a revised proposal, including all supporting documentation, to all parties is on or before March 30, 2022. As such, the Settlement Offer is open for acceptance until March 10, 2022, following which it will become null and void if not accepted.

We look forward to the City's response so that we can inform the Tribunal of the parties' progress to resolving the issues well in advance of the deadline for filing written materials for the hearing.

Yours very truly,
BORDEN LADNER GERVAIS LLP



Isaac Tang

IT/cm

Cc: Michael Mahoney, Solicitor, City of Toronto Legal Services
Client

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