

**CONFIDENTIAL APPENDIX A**



McCarthy Tétrault LLP  
PO Box 48, Suite 5300  
Toronto-Dominion Bank Tower  
Toronto ON M5K 1E6  
Canada  
Tel: 416-362-1812  
Fax: 416-868-0673

**Michael Foderick**  
Partner  
Direct Line: (416) 601-7783  
Direct Fax: (416) 868-0673  
Email: mfoderick@mccarthy.ca

*Assistant: Fiorini, Karen*  
*Direct Line: (416) 601-8200 x542575*  
*Email: kfiorini@mccarthy.ca*

February 28, 2022

**Via Email (sarah.oconnor@toronto.ca; jason.davidson@toronto.ca)**

**Without Prejudice**

Toronto City Council  
City Hall, 12th Floor, West Tower  
100 Queen Street West  
Toronto, ON M5H 2N2

**Attention: Sarah O'Connor and Jason Davidson, Solicitors**

To Whom it May Concern:

**Re: Settlement Offer – 1521 Queen Street West  
Ontario Land Tribunal Case/File No. PL200567**

We are the solicitors for BSAR (Queen) LP (the “**Owner**”), the owner of the property known municipally as 1521 Queen Street West (the “**Subject Property**”) in the City of Toronto (the “**City**”).

The Owner filed an application to amend Zoning By-law No. 569-2013 and Zoning By-law No. 438-86, which was deemed complete by the City as of December 6, 2019, and on January 17, 2022, the Owner formally revised the proposal (collectively, the “**Application**”) at the Ontario Land Tribunal (the “**Tribunal**”).

On November 2, 2020, the Owner appealed the Application to the Tribunal pursuant to section 34(11) of the *Planning Act* (Tribunal Case/File No. PL200567 – the “**Appeal**”). In its decision dated June 15, 2021, the Tribunal set a thirteen day hearing of the Appeal to commence on May 17, 2022.

Further to our discussions with the Parkdale Neighbourhood Land Trust (the “**PNLT**”), a party to the Appeal, and City staff, we write to make an offer to settle the Appeal of the Application with the City in its entirety (the “**Settlement Offer**”).

The proposed Settlement Offer terms are as follows:

**1. Built Form**

The zoning by-law amendment will permit the proposed development (the “**Development**”) generally in accordance with the zoning envelope depicted on the set of plans and drawings

which is attached hereto as Schedule “A” (the “**Settlement Plans**”), and subject to the matters expressly set out herein, which notably include the following attributes:

- (a) a mixed-use building comprised of a maximum residential gross floor area of 6,700 square metres within the second to eighth storeys, a minimum non-residential gross floor area of 175 square metres, and a maximum total gross floor area of 6,887 square metres, with a maximum height of 29.95 metres (excluding elevator overrun), inclusive of a top level exclusively dedicated for a mechanical penthouse and indoor and outdoor amenity space;
- (b) massing, setbacks, and step-backs of the building generally as depicted in the Settlement Plans;
- (c) the unit mix will comply with the City’s Growing Up Guidelines with respect to the provision of a minimum 10% three-bedroom units and combined 25% two-bedroom and three-bedroom units;
- (d) a combined minimum of 4.0 square metres of indoor and outdoor amenity space per unit;
- (e) a total of three vehicle car share parking spaces (including two barrier-free car share spaces);
- (f) consideration given by the Owner in the future at the time of site plan approval to the possibility of implementing a geothermal system for the Development, and any potential associated reductions in the massing of the mechanical penthouse; and,
- (g) through the site plan approval process, the Owner will work with City staff to consider architectural details such as materiality, window placement, and articulation and rhythm of the façade bays, to ensure fit with the context of Queen Street West.

In consideration of the above parking standards, the Owner agrees to provide the following as transportation demand management measures for the Development:

- (a) a payment of \$50,000.00 (Fifty Thousand dollars) to provide a new bike-share station on the Subject Property or the surrounding area;
- (b) one car-share membership per unit, offered in the first five years of occupancy;
- (c) one bike-share membership per unit, offered in the first five years of occupancy;
- (d) one pre-loaded Presto card of \$150.00 value (One Hundred Fifty dollars) per unit, offered in the first five years of occupancy; and,
- (e) a minimum of one bike repair station provided on the Subject Property.

## 2. Section 37 Agreement

A maximum cash contribution of \$1,200,000.00 (One Million, Two Hundred Thousand dollars) will be paid by the Owner in the following manner:

- (a) a contribution of \$1,000,000.00 (One Million dollars), upwardly indexed from the date of execution of the section 37 agreement in accordance with the Residential Building Construction Price Index for the Toronto Census Metropolitan Area, paid to the City for use in the City's Multi-Unit Residential Acquisition ("**MURA**") Program toward acquiring affordable housing in the Parkdale neighbourhood, to be paid at the earliest of:
  - (i) issuance of notice of approval conditions for site plan approval for the Subject Property;
  - (ii) issuance of the first building permit for the construction of the Development on the Subject Property (for greater clarity, not including a building permit for demolition, excavation, or shoring); or,
  - (iii) eighteen (18) months from City Council's acceptance of this Settlement Offer.
- (b) a contribution of \$200,000.00 (Two Hundred Thousand dollars), paid to the City as tenant compensation of up to \$10,000.00 (Ten Thousand dollars) per eligible tenant, for the benefit of former tenants and occupants of the Subject Property as determined and as administered by the PNLT in consultation with the City (the "**Contribution**"), to be paid in trust upon:
  - (i) the execution and registration of a section 37 agreement; and,
  - (ii) prior to the issuance of a Final Order by the Tribunal approving the Settlement Plans, but to be released from escrow to the City upon issuance of the Final Order by the Tribunal approving the Settlement Plans;

with any remainder of such unused and unallocated funds from the Contribution to be used in the MURA Program toward acquiring affordable housing in the Parkdale neighbourhood (a portion of the Contribution, to be determined at the discretion of the City, may also be allocated to funding the reasonable administration costs in administering the Contribution).

The section 37 agreement may also be used as a legal convenience to secure other matters, such as the transportation demand management measures outlined above, as well as the rental tenure of the proposed new units for a minimum of 20 years.

## 3. Official Plan Amendment 445

Provided the Settlement Offer is conditionally accepted in accordance with the terms set out herein, and prior to the issuance of the Tribunal's Final Order approving the Settlement Plans,

the Owner agrees to make satisfactory arrangements to withdraw its appeal of the City's Official Plan Amendment No. 445, Site and Area Specific Policy 566, "Parkdale Main Street and West Queen West" (Tribunal Case/File No. PL200629).

#### **4. Section 111, City of Toronto Act, and City Municipal Code Chapter 667**

The City agrees that it will provide written confirmation that an application under Chapter 667 of the City's Municipal Code, "Residential Rental Property Demolition and Conversion Control" pursuant to section 111 of the City of Toronto Act, 2006, is not required for the Development and that the Settlement Offer comprehensively resolves any rental housing replacement issues in respect of the redevelopment of the Subject Property. The Owner or any subsequent owners of the Subject Property will have no further obligations to the City with respect to dwelling unit and/or dwelling room replacement with respect to the redevelopment of the Subject Property for any matters arising prior to the date of this Settlement Offer.

#### **5. Settlement with the PNLT**

By way of information to the City, \$10,000.00 (Ten Thousand dollars) will be paid by the Owner directly to the PNLT, upon issuance of a Final Order by the Tribunal approving the Settlement Plans, for both a portion of the PNLT's reasonable costs associated with the administration of the Contribution, and for PNLT's expenses associated with the Appeal proceedings.

#### **6. Conditions**

This proposed Settlement Offer is conditional on:

- (a) City Council conditionally accepting this Settlement Offer during its meeting scheduled for March 9, 2022;
- (b) the Tribunal issuing a Final Order approving the Settlement Plans prior to July 17, 2022;
- (c) the City, the PNLT, and any and all other parties to the Appeal consenting to the Owner requesting a settlement hearing for the Appeal, to be held on a date to be scheduled as soon as possible, with the Tribunal's Final Order approving the Settlement Plans withheld subject to an agreement between the City and Owner as to the final form of the zoning by-law amendment and signed and registered section 37 agreement; and,
- (d) the Owner receiving the below written statement, signed on behalf of the PNLT:

"The Parkdale Neighbourhood Land Trust agrees that a satisfactory resolution of all matters related to 1521 Queen Street West – including all previous rental tenancies and occupancies on the subject property – has been reached between itself, the BS&R Group of Companies, and the City of Toronto. The Parkdale Neighbourhood Land Trust also acknowledges that the BS&R Group of Companies has, at the request of Parkdale Neighbourhood Land Trust and the City of Toronto, provided \$1.2 million toward affordable housing in Parkdale and/or tenant compensation in order to achieve an equitable outcome."

This Settlement Offer is made without prejudice. Should the Settlement Offer be accepted by City Council, it may be released publicly. Should you require further information please do not hesitate to contact the undersigned.

Sincerely,

McCarthy Tétrault LLP

A handwritten signature in black ink, appearing to read 'M. Foderick', written over a light grey circular stamp.

Michael Foderick  
MF/DA

Attachment

c: Joshua Barndt, Parkdale Neighbourhood Land Trust