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February 28, 2022

Our File No.: 120458

WITHOUT PREJUDICE

Via Email

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

Attention: Mark A. Piel

Dear Sirs/Mesdames:

**Re: LPAT Case No. PL210148 – 625 Church Street
Without Prejudice Offer to Settle**

We are solicitors for Manulife Investment Management in respect of the lands known municipally in the City of Toronto as 625 Church Street (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 March 9, 2022.

As you know, our client has engaged in without prejudice mediation with City staff over the last several months regarding the redevelopment proposal for the Property. These discussions have resulted in revised architectural plans and site statistics, dated February 26, 2022, and prepared by RAW Design and attached to this letter (the “**Revised Plans**”).

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. In the event of any conflicts, inconsistencies, and discrepancies between the building envelope as shown on the enclosed site plan and as shown on the enclosed floor plans, the site plan will prevail and be used for the purpose of drafting the zoning by-law amendment, with adjustments to implement the Revised Plans through the zoning by-law amendment being at the sole discretion of the City's Chief Planner and Executive Director, City Planning.

2. The height of the tower has been reduced to 194.0 metres (56 storeys with a mezzanine above the ground level and amenity space on mechanical penthouse level) inclusive of the mechanical penthouse.
3. The revised approach to the podium implements discussions with City staff in accordance with the site plan submission in April 2021, including the retention of the existing west façade in its entirety, as well as the north and south elevations with modifications to allow floor-to-floor glazing between pilasters.
4. The tower floor plates above the 38th floor have been reduced to 874 square metres (GCA). In addition, a one metre tower stepback has been introduced above the 38th storey.
5. All storeys of the tower now achieve a 12.5 metre setback from the east property line. Projecting balconies are permitted into the tower setbacks, although our client agrees to work with the City as part of detailed design to ensure the tower face will read at the 12.5 metre setback.
6. A privately-owned public space (POPS) is included on the south end of the Property along Charles Street East, having an area of no less than 126.6 square metres, with its precise location and design to be finalized through the site plan control application process, to the satisfaction of the Chief Planner and Executive Director, City Planning.
7. A pedestrian connection is shown on the Revised Plans running along the east side of the Property having a width of no less than 2.1 metres, with its precise location and design to be finalized through the site plan control application process, to the satisfaction of the Chief Planner and Executive Director, City Planning.
8. The zoning by-law amendment(s) would secure a minimum of 2-bedroom and 3-bedroom units in accordance with Official Plan Amendment No. 406.
9. The zoning by-law amendment(s) would implement and secure the parking supply as shown on the Revised Plans.
10. Our client acknowledges that the property has been designated under Part IV of the Ontario Heritage Act pursuant to City Council passing City of Toronto By-law 808-2021 and that the property remains subject to the filing of the necessary applications under the Ontario Heritage Act to alter the property as shown in the Revised Plans and City Council's approval of that alteration application in consultation with the Toronto Preservation Board. Our client agrees that City Council's decision-making authority is not fettered in respect of that Ontario Heritage Act process in the event this settlement offer is accepted and our client will file the necessary alteration

application so it may be considered by the Toronto Preservation Board at its meeting on April 5, 2022.

11. Our client would provide the community benefit described under (i) below as a contribution under Section 37 of the Planning Act and the services, facilities, and matters under (ii) through (iv), inclusive, would be provided as "legal conveniences" and included in the Section 37 Agreement:
 - (i) 15 affordable residential rental units with the rents secured for 40 years at 90% of the average market rent for the City of Toronto in accordance with the definition of "affordable rents" in the City's Official Plan, subject to the following additional terms:
 - (A) the unit types of the affordable rental units would reflect the distribution of the overall unit types in the building with no more than 10% of the affordable rental units being studio apartments;
 - (B) no affordable residential units would be required in the top half of the building; and
 - (C) the finishing level of the affordable rental units would be equivalent to the finish level of the base market units to be provided in the building finished;
 - (ii) an indexed cash payment of \$50,000, to be paid prior to the first above-grade building permit, to be allocated to the proposed signalization at Church Street and Hayden Street, with the City responsible for the construction of such signalization;
 - (iii) prior to final site plan approval for the development, the owner will
 - (A) pursuant to the site plan control application process, design and finalize the location of the POPS area shown on the Revised Plans to the satisfaction of the Chief Planner and Executive Director, City Planning, and register a grant of a surface easement in favour of the City permitting the general public's use of the POPS area on terms and conditions satisfactory to the Chief Planner and Executive Director, City Planning, and
 - (B) pursuant to the site plan control application process, design and finalize the location of the pedestrian connection shown on the Revised Plans to the satisfaction of the Chief Planner and Executive Director, City Planning, and register a grant of a surface easement in favour of the City permitting the general public's use of the

pedestrian connection area on terms and conditions satisfactory to the Chief Planner and Executive Director, City Planning.

- (iv) The owner will construct and maintain the development of the site in accordance with Tier 1 performance measures of the Toronto Green Standard and understands that it will be encouraged by the City to achieve the Tier 2 performance measures of the Toronto Green Standard or higher, where appropriate.

Our client agrees that, in the event City Council accepts this settlement offer, the final order of the Ontario Land Tribunal will include the required zoning by-law amendment(s) in its final form and content to the satisfaction of the Chief Planner and Executive Director, City Planning and our client will make best efforts to enter into a Section 37 Agreement with the City in respect of the matters in paragraph 11 prior to the final order.

Our client also agrees that, in the event City Council accepts the settlement offer, the final order of the Ontario Land Tribunal be withheld pending written confirmation of the City Solicitor of the following:

- the owner has submitted an updated Functional Servicing Report, Stormwater Management Report, Hydrogeological Report and Groundwater Report (the “**Engineering Reports**”), to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services;
- the owner has made satisfactory arrangements with Chief Engineer and Executive Director, Engineering and Construction Services for the design and construction of new infrastructure or any improvements to the existing municipal infrastructure, should it be determined in the Engineering Reports that new infrastructure and/or upgrades/improvements are required to the existing infrastructure, to support this development, and that the owner has entered into a financially secured agreement to pay for and construct any necessary municipal infrastructure, with any such agreement to be executed prior to the issuance of the first above-grade building permit.

Our client acknowledges that in the event the Engineering Reports and possible arrangements needed to financially secure any possible infrastructure upgrades is not satisfactory to the Chief Engineer and Executive Director, Engineering and Construction Services prior to the May 11, 2022 City Council meeting then the City may request the Ontario Land Tribunal approve a zoning by-law amendment for the property inclusive of a holding symbol under section 36 of the Planning Act, the conditions for its removal being the satisfactory submission of the Engineering Reports and "satisfactory arrangements" being made, so the Tribunal may issue its final order prior to City Council's possible passing of a Community Benefit Charges By-law.

Furthermore, if City Council accepts our client's settlement offer then our client will withdraw of our client's appeal of Official Plan Amendment No. 352 on or before May 11, 2022.

Finally, in the event City Council accepts this settlement and approves the necessary Ontario Heritage Act alteration permit application then our client agrees it will provide final site plan drawings substantially in accordance with a Conservation Plan for the lands, to be prepared in accordance with the accepted Heritage Impact Assessment for the property, and all other plans (such as a signage plan, an interpretation plan, and a lighting plan) that may be required by Heritage Planning staff, all to the satisfaction of the Senior Manager, Heritage Planning, and if deemed necessary by the Senior Manager, Heritage Planning the owner will implement the said plans through the site plan control application process.

As noted above, this without prejudice settlement offer will remain open until the end of the City Council meeting scheduled to commence on March 9, 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

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