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April 27, 2022

By E-Mail Only to *kelly.matsumoto@toronto.ca*

Kelly Matsumoto, Practice Lead
Planning & Administrative Tribunal Law
City of Toronto
Metro Hall, 26th Floor
55 John Street
Toronto, ON M5V 3C6

Dear Ms. Matsumoto:

**Re: Without Prejudice Settlement Offer
87 Ethel Avenue, Toronto (the “Property”)
87 Ethel Avenue Holdings Ltd. (“87 EHL”)
Official Plan Amendment No. 231, Appeal No. 143 (the “Appeal”)
L.P.A.T. Case No. PL140860 (the “Proceeding”)**

We are counsel to 87 EHL. 87 EHL is the owner of the Property, which is presently vacant and approximately 2 hectares (5 acres) in area. 87 EHL is a party to the Appeal.

We are writing further to our letters of September 2, 2020 and May 7, 2021 with what is 87 EHL’s third settlement offer. This offer replaces the prior offers. To date, our client has not received a counteroffer. If accepted, this offer would resolve the Appeal in its entirety.

A summary of what is now being proposed, as compared to the previous design, can be found in on page 7 of IBI’s enclosed Planning Justification Report Addendum, dated April 20, 2022.

The Ask

87 EHL is asking that the Property be designated *Mixed Use Areas* and be subject to a Site and Area Specific Policy enabling their mixed-use development. The request is being made because, simply put, the Property is not attractive for employment uses alone. To that end, 87 EHL has attempted to lease the Property to potential employment users and have been repeatedly advised the Property is unsuitable because it is surrounded by a mix of uses, is located in an area that is not easily accessible to and from the 400 series highways, and, that land costs are too high.

The choice is not about preserving opportunity for major industry on the Property. It is about whether, amid the City's urban fabric, proximate to costly public transportation investments, it should continue to remain underutilized. 87 EHL thinks there is a better path forward than the status quo.

In preparing its proposal, 87 EHL has carefully considered the economic interests of the City, its existing and future residents, and land use compatibility. 87 EHL believes its proposal will contribute positively to the ongoing transformation of the former Stockyards area to a transit-oriented, complete, neighbourhood.

Updated Supporting Studies

87 EHL has prepared the following confidential and without prejudice updates to its studies for the City's consideration:

1. Turner Fleischer Architects, *Architectural Plans* (April 20, 2022);
2. UrbanMetrics, *87 Ethel Avenue: Revised Concept Plan Employment Area Impact Study* (April 20, 2022);
3. Valcoustics Canada Ltd., *Environmental Noise Feasibility Study and Railway Vibration Study Update* (April 20, 2022);
4. JSW + Associates, *Derailment Protection Report* (April, 2022);
5. IBI Group, *Planning Justification Report Addendum* (April 20, 2022);
6. IBI Group, *Revised Community Services and Facilities Review* (April 20, 2022);
7. IBI Group, *Transportation Impact Study: Addendum* (April 20, 2022); and
8. IBI Group, *Revised Preliminary Servicing and Stormwater Assessment* (April 20, 2022).

We hope the Council will agree that these materials demonstrate that the proposed *Mixed Use Areas* designation, with suitable site specific modifications, meets all applicable tests under the *Planning Act*, including being in conformity with section 2.2.5.9 of the Growth Plan, 2020 and 2.2.4.17 of the City's Official Plan.

A Few Details on the Proposal

The development consists of 1,468 rental residential units of which 147 (10%) are guaranteed to be affordable as well as enough non-residential space to create 441 jobs, which is close to 4x the number of jobs that could be provided if the Property were used solely for industrial purposes.

The proposal would provide an additional 0.31 ha of parkland, which amounts to 15% of the total area of the site. The proposed park is located strategically, immediately south of the existing Runnymede Park and George Bell Arena.

The benefits to the community from additional housing supply, jobs and parkland are obvious.

Land Use Compatibility

87 EHL requested updated noise, vibration and derailment reports which address land use compatibility between the residential use of the Property and the Canadian Pacific Railway rail corridor and yard to the south. These reports confirm that:

1. Appropriate setbacks can be achieved; or,
2. Risk mitigation measures can be put in place that are compliant with:
 - a. Guidelines of the Federation of Canadian Municipalities regarding vibration, rail volume projections and derailment;
 - b. Standards of the Railway Association of Canada for vibration and rail volume projections;
 - c. Guidelines of the Ministry of the Environment, Conservation and Parks respecting noise impacts; and,
3. Given the foregoing, development of the Property, as proposed, is feasible and appropriate.

In the discussion of compatibility, we wish to be very clear that there is no rail yard in the vicinity. Since there is no rail yard, the Property cannot be “sterilized” for being within 300m of one. Rail yards have control towers, maintenance bays and 50 or more tracks, but those attributes are nowhere to be found in the area.

Additionally, any concern about the compatibility of our client’s proposal with the Maple Leaf Foods facility to the north will be addressed by the company’s relocation of that facility to London, Ontario in 2024.

The Emerging Reality

For more than 25 years the former Stockyards area has been undergoing an organic transformation from its industrial past to a mixed-use, transit-oriented neighbourhood.

The redevelopment of the Property provides an opportunity to further transform and revitalize this eclectic, transit-oriented neighbourhood into a thriving, cohesive and a complete mixed-use community. The proposal will complement the organic transformation of this community by providing much needed affordable housing and high-density employment uses which continue to take root in the area.

87 EHL continues to believe that the proposed resolution of the Appeal represents a timely opportunity for collaboration with the City to continue the ongoing transformation.

Conclusion

We look forward to hearing from Council regarding 87 EHL's proposal. 87 EHL is at the ready to transform the existing underutilized site into a project contributing parkland, new jobs and housing choice to the residents of Toronto.

87 EHL will work with the City to prepare suitable policy language to implement the proposal.

Please do not hesitate to contact me, or our associate Alex Lusty, should you require any further information or wish to discuss this proposal.

Yours truly,

DAVIES HOWE LLP



John M. Alati

copy: Mr. Andrew Biggart, Ritchie, Ketcheson, Hart & Biggart LLP
Ms. Tina Kapelos, Ritchie, Ketcheson, Hart & Biggart LLP
Client