Head Office

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January 22, 2022

Tracey Cook Deputy City Manager Infrastructure & Development Services City of Toronto 4th Floor, East Tower, City Hall 100 Queen Street West Toronto, Ontario M5H 2N2

Dear Ms. Cook,

I am writing to thank you for the ongoing collaboration with the City of Toronto as we work with Cadillac Fairview to advance the East Harbour Transit Oriented Communities (TOC) proposal into development. Leading up to the City staff report to Executive Committee on January 26, 2022 on the East Harbour TOC proposal, I am writing to express the Province's commitment to continuing this collaboration with the City of Toronto to reach an agreement on East Harbour that will address the interests of all parties.

Infrastructure Ontario is leading the delivery of TOC projects related to the Provincial subway expansion program on behalf of the Ministry of Infrastructure, with the objectives of increasing transit ridership and reducing traffic congestion, increasing housing supply (including affordable housing) and jobs, catalyzing complete communities based on good planning principles, offsetting the cost of station construction, which would save taxpayers' money, and stimulating the economy through major projects for years after COVID-19. In partnership with Metrolinx, we are working to deliver coordinated transit and TOC objectives across Toronto and the broader region.

East Harbour has significant potential to become a vibrant mixed-use complete community, with a strong core of major office development, supported by a multimodal transit hub. As it develops, East Harbour will become an important destination for both existing and new residents of Toronto and the Greater Toronto and Hamilton Area to work, play and live. The City and the Province are both making significant investments in the area, including the East Harbour Transit Hub, to unlock this development potential.

The Province shares the City's interest in ensuring that the development of East Harbour unfolds in an appropriate manner, and with regard to sound planning principles and the many elements that comprise a complete community.

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To this end, we are committing to continuing our work to ensure that we achieve the community benefits, services and facilities necessary and appropriate for a development of this size while supporting the Provinces ambitious timelines to deliver new transit infrastructure. Building on the great collaboration between the City and the Province to date, Infrastructure Ontario on behalf of MOI and Metrolinx on behalf of the Ministry of Transportation, will work collectively with you and the landowner, Cadillac Fairview, to ensure the timely delivery of community benefits in tandem with the larger development. In adherence with the amended and restated SmartTrack Agreement in Principle, which gives the City full direction of all TOC proceeds created at East Harbour, we understand the City's priorities to include:

- An appropriate amount of affordable housing that aligns with City policy
- Child-care facilities and community recreation facilities to serve the area
- Parkland at an appropriate scale and configuration to serve the residents and workforce at East Harbour and that aligns with City policy and precedent
- Contributions to public art and library services in the broader community that also serve East Harbour, and
- Community services and facilities secured with the City's approval of the earlier East Harbour employment-only development proposal.

We recognize the importance of the Broadview Avenue extension and the Broadview Eastern Flood Protection Landform for the delivery of the Transit Hub, unlocking TOC contributions from Cadillac Fairview, and the build out of East Harbour, as well as the redevelopment of adjacent sites in the area. We will continue to work with the City on an approach to the funding and delivery of these important infrastructure projects.

In order to meet critical timelines for the delivery of the East Harbour Transit Hub and related infrastructure in the area, the Minister of Municipal Affairs and Housing is considering a Minister's Zoning Order (MZO) to implement the East Harbour TOC proposal. Our partners at the Ministry of Municipal Affairs (MMAH) have committed to providing City staff an opportunity to review a draft of the MZO, and will consider City comments in finalizing the order. As was described in a recent meeting with MMAH, the MZO would provide zoning certainty for East Harbour including mixed use, commercial, residential and open space elements. We understand the City position on the need for a clear approach to the sequencing and phasing of the East Harbour development related to employment development, affordable housing and community services and facilities. We are committed to continue to work together on the approach to implementation and to put in place appropriate legal mechanisms as appropriate.

We recognize the City's interest in respect to the Plan of Subdivision and Site Plan processes. We note that Cadillac Fairview has submitted an updated draft Plan of Subdivision to the City, and that they are expecting to submit a Site Plan Application for the first office tower at East Harbour this spring.

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The Province shares the City's objective that East Harbour becomes an important office destination in Toronto. In this regard, the Province will ensure that the East Harbour TOC proposal maintains all of the previously approved commercial density on the site. We will work with the City and Cadillac Fairview to find appropriate means to ensure the thoughtful and coordinated delivery of different uses at East Harbour. We have and will continue to engage with the local community as the East Harbour TOC Master Plan unfolds.

The Province is committed to ensuring that all obligations and commitments that apply to Cadillac Fairview are secured through appropriate legal mechanisms. This includes ensuring that any future owners of the site or individual buildings are bound by commitments to deliver affordable housing and community services and facilities. We recognise that both the Province and the City require appropriate means to ensure these commitments are upheld in all circumstances.

The agreement between the Province and the City on the subway expansion program, and the related Memorandum of Understanding on Transit Oriented Communities, underscore the important shared objectives we have established to deliver improved transit and Transit Oriented Communities to the residents of Toronto. As we work to conclude an agreement on East Harbour, and in the years that follow, the principles of those agreements will continue to guide both of us.

Yours sincerely,

Heather Grey-Wolf Chief Development Officer Infrastructure Ontario

cc. Michael Lindsay, President and CEO, Infrastructure Ontario Phil Verster, President and CEO, Metrolinx

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