

Attachment 2 - Cadillac Fairview Approach to Employment Development



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January 26, 2022

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

Dear Ms. Cook:

Re: East Harbour Development Site

Further to Cadillac Fairview's TOC submission of May 2021, I am writing to outline our intentions with respect to the East Harbour site. CF purchased the property in October 2019 with the explicit purpose of building 10 million sf of office/commercial density (as current zoning permits) and which will be strategically supported by the Province's new adjacent multi-modal transit hub combining an Ontario Line station (as announced in April, 2019) and the previously announced SmartTrack station). Our significant financial investment in the land acquisition was predicated on these two factors: the ability create Toronto's newest sustainable office precinct in combination with higher order transit.

At the initiation of the Province, CF commenced discussions in earnest in December 2019 around participation in the Transit Oriented Communities (TOC) program whereby we would contribute money to support the cost of the Transit Hub in exchange for receiving additional site density, and specifically residential density. We agreed to explore this on the basis that there was a mutual community benefit as a result of this private funding and the opportunity to create a vibrant mixed use community with the addition of residential. This ultimately resulted in CF making a TOC submission to the City for the addition of 3.25M square feet of residential density. This new proposal would result in a site utilization of 75% employment use (10 M sf office/commercial) and 25% residential use (3.25 M sf).

Cadillac Fairview is one of Canada's largest commercial real estate developers, owners and operators with \$36 billion in commercial real estate assets across Canada and the world. Our portfolio includes 35 million sf of commercial (office/retail) premises in Canada, of which 17 million sf is office. CF has a decades long history in developing and operating high quality commercial real estate including many well-known projects in Toronto where we have 10+ million sf office space including: TD Centre, Toronto Eaton Centre with retail and three office towers, 160 Front (an under construction 1.25 million square foot office building) and 16 York (a recently completed 881,000 square foot office tower). Our high quality properties are built for long term ownership in support of stable long term cash flows for our shareholder (eg: TD Centre was built 50+ yrs ago). As a wholly owned subsidiary of the Ontario Teachers Pension Plan, our mandate is to grow our income producing assets to support the pensions of over 300,000 retired Ontario teachers.

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Our plan for East Harbour is consistent with Cadillac Fairview's reputation - to deliver high-quality buildings, with compelling architecture and public realm and create a landmark community to become a significant long term investment holding in CF's portfolio.

East Harbour's design will reflect both our corporate purpose of "***Transforming Communities for a Vibrant Tomorrow***" as well as current urban planning best practices of creating sustainable mixed-use transit oriented communities. This will be augmented with the significant community benefits package which has been negotiated between CF, the Province of Ontario and the City of Toronto and will include: affordable housing, a community centre, daycares, public art, community incubator space and a variety of parkland and civic plaza spaces. These public benefits at East Harbour will come to serve approximately 50,000 jobs and 4,300 new homes.

Our commitment to commercial development at East Harbour has commenced with the preparation of the first site plan application for a 1.3M square foot office building. Following an invited international design competition, CF, along with our selected design architect, Kohn Pederson Fox, and a team of consultants have spent the last year designing the first of a planned 9 office towers. This high quality, innovative and sustainable building will be comparable to the finest office buildings in North America. We look forward to the formal SPA submission in the spring of 2022.

Additionally, and consistent with the mixed-use objective for the site, CF will be submitting for site plan application later this year the first residential tower (~55 stories, ~ 500 units) of a planned 9 towers.

Ultimately, market conditions will dictate the timing and pace of development at East Harbour. However, CF has made a significant investment and long term commitment to East Harbour, and has the experience, expertise and financial resources to implement the 13.25 million sf mixed-use vision for East Harbour over approximately the next 20 years.

We appreciate the City's and Province's continued collaboration and consideration of our proposal and look forward to building a world class community at East Harbour.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Wayne Barwise', with a horizontal line extending to the right.

Wayne Barwise
Executive Vice President, Development

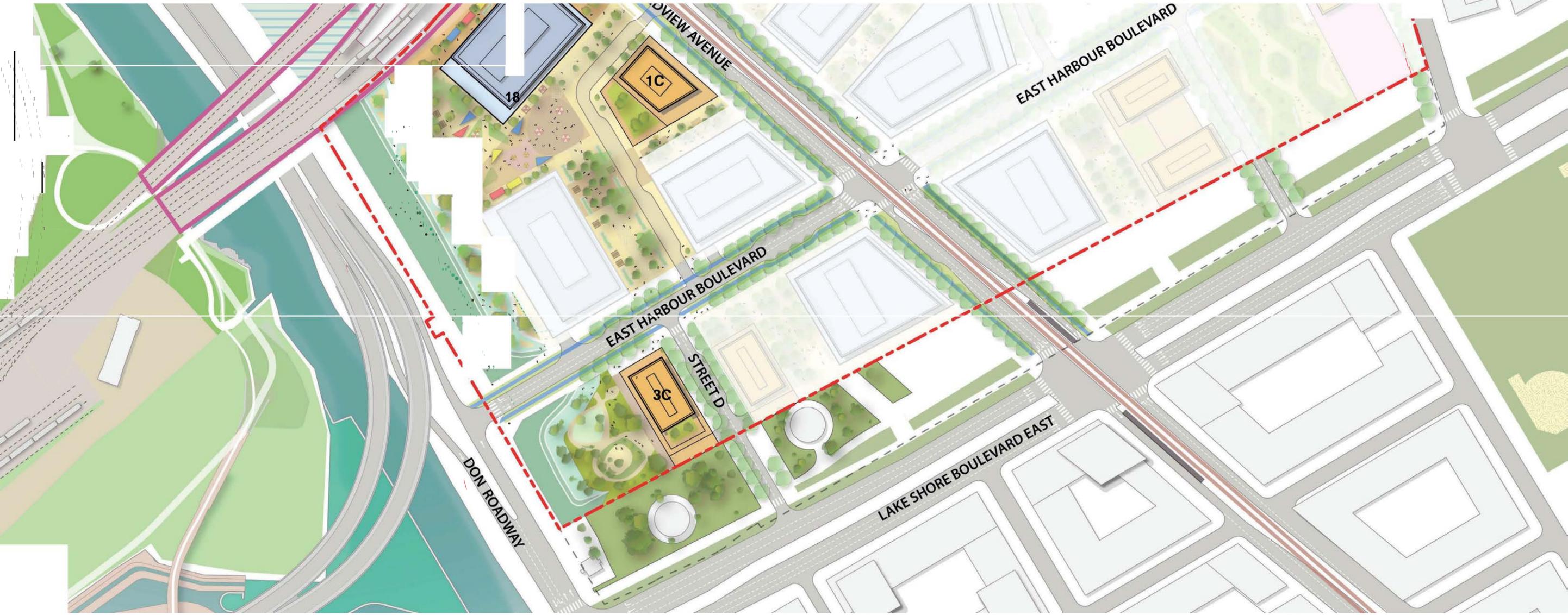
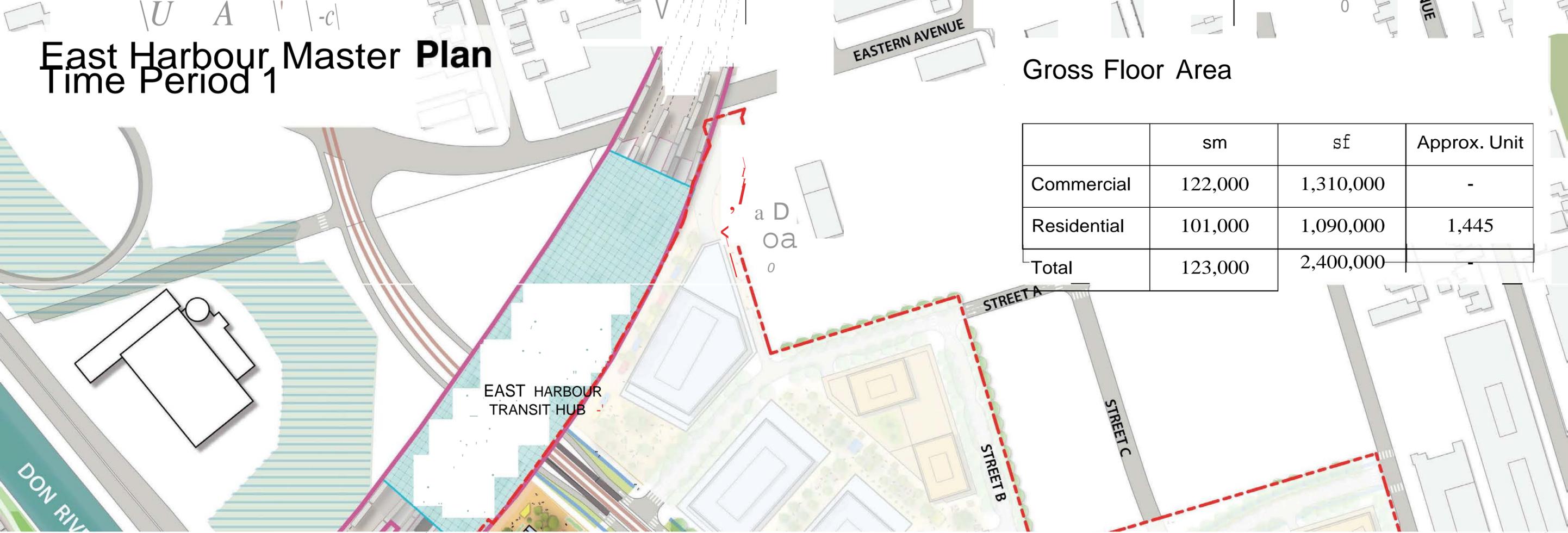
cc:
Phil Verster, President & CEO, Metrolinx
Michael Lindsay, President & CEO, Infrastructure Ontario

East Harbour Master Plan

Time Period 1

Gross Floor Area

	sm	sf	Approx. Unit
Commercial	122,000	1,310,000	-
Residential	101,000	1,090,000	1,445
Total	123,000	2,400,000	

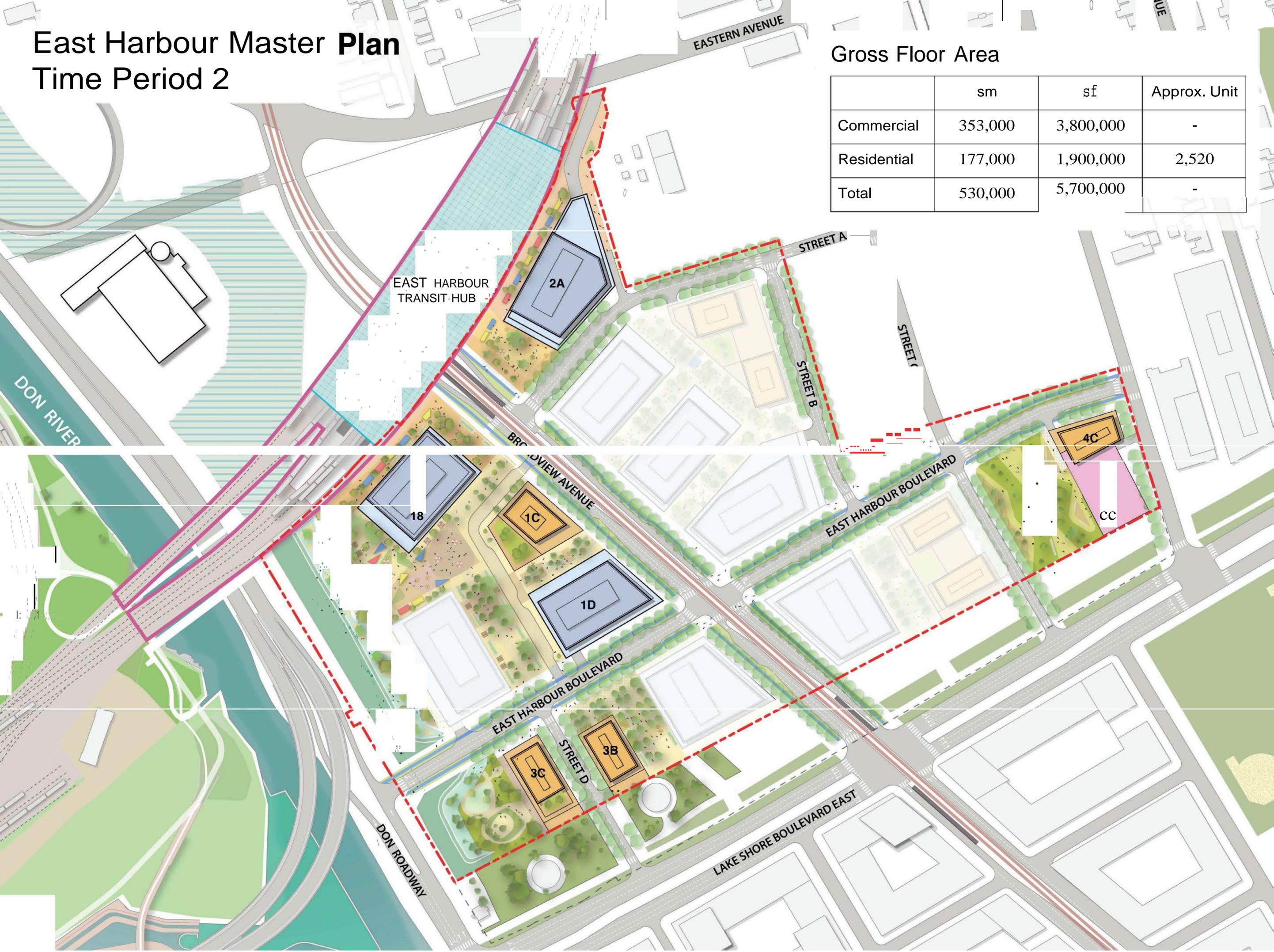


East Harbour Master Plan

Time Period 2

Gross Floor Area

	sm	sf	Approx. Unit
Commercial	353,000	3,800,000	-
Residential	177,000	1,900,000	2,520
Total	530,000	5,700,000	-

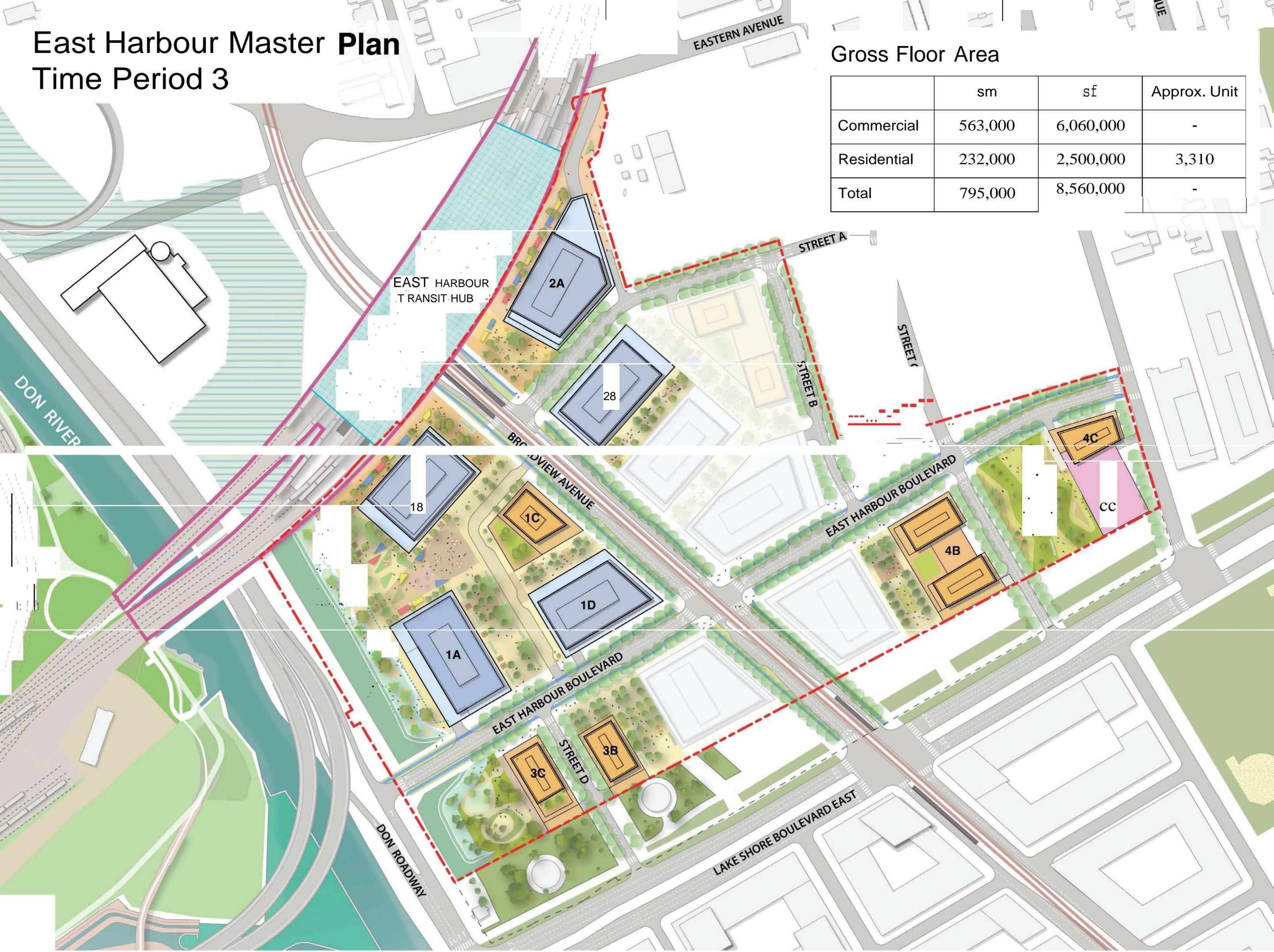


East Harbour Master Plan

Time Period 3

Gross Floor Area

	sm	sf	Approx. Unit
Commercial	563,000	6,060,000	-
Residential	232,000	2,500,000	3,310
Total	795,000	8,560,000	-

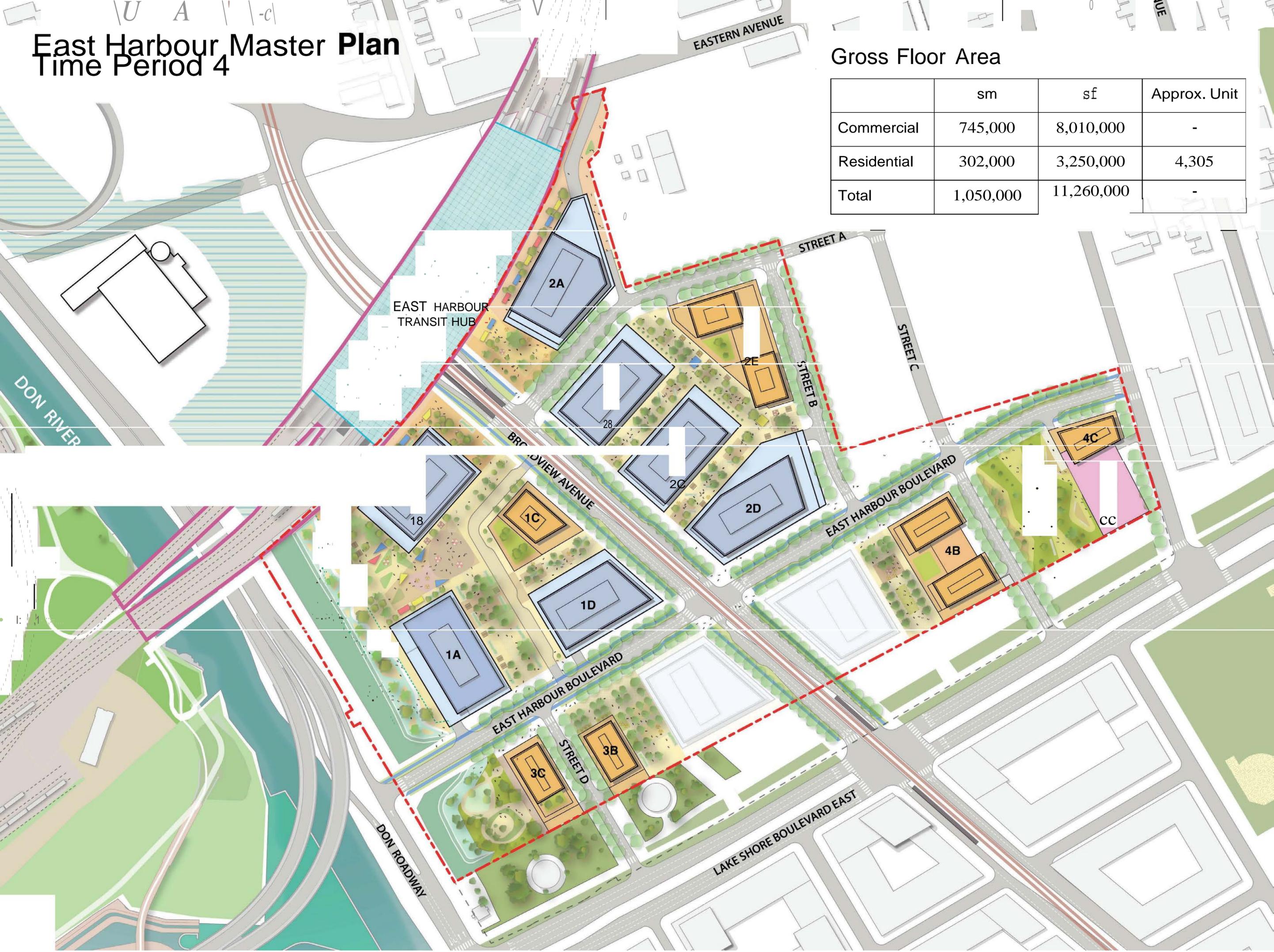


East Harbour Master Plan

Time Period 4

Gross Floor Area

	sm	sf	Approx. Unit
Commercial	745,000	8,010,000	-
Residential	302,000	3,250,000	4,305
Total	1,050,000	11,260,000	-

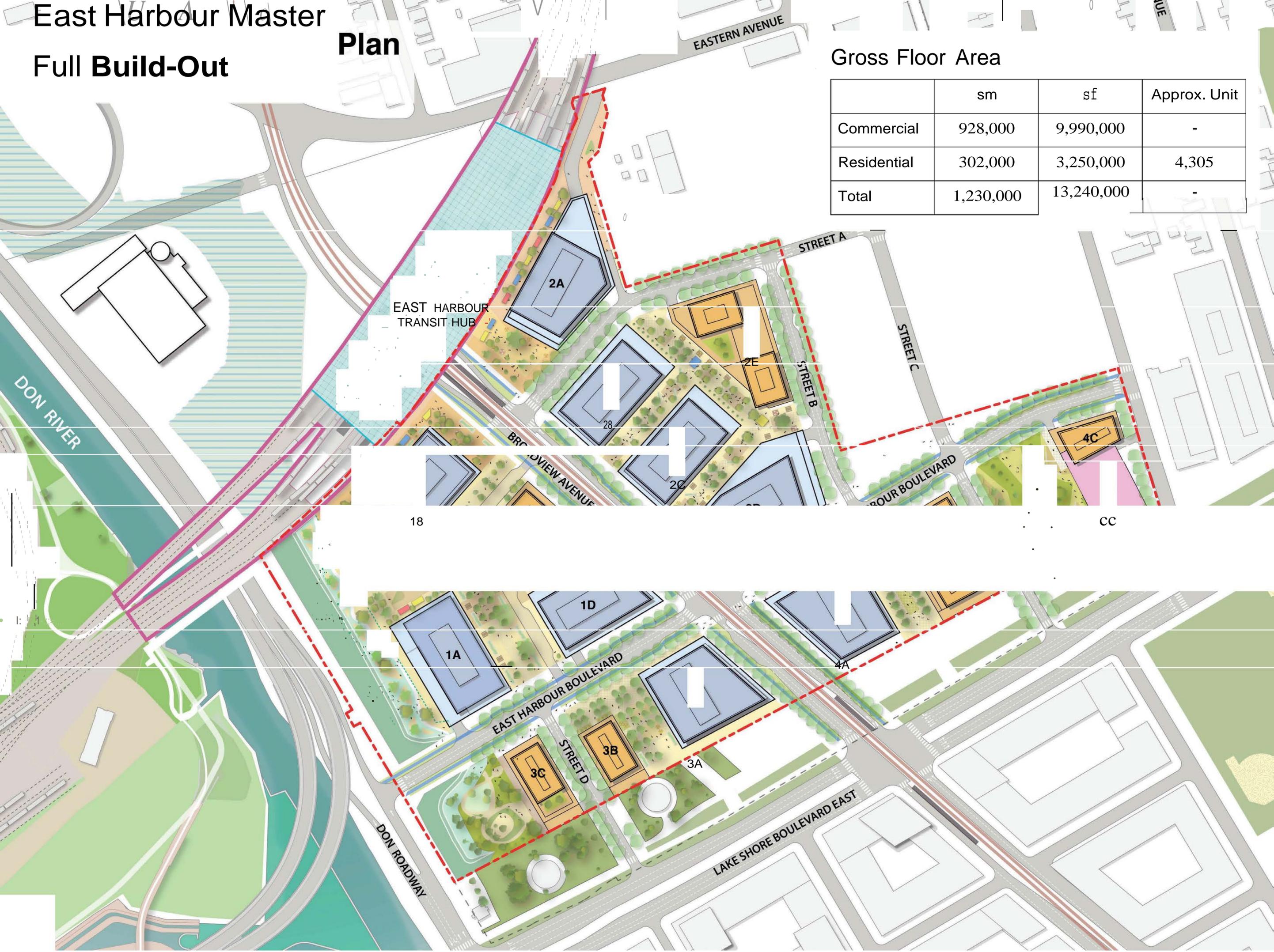


East Harbour Master Plan

Full Build-Out

Gross Floor Area

	sm	sf	Approx. Unit
Commercial	928,000	9,990,000	-
Residential	302,000	3,250,000	4,305
Total	1,230,000	13,240,000	-



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CC