# PUBLIC ATTACHMENT "B"

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 | Associé Direct Line: 416-601-7783 Direct Fax: 416-868-0673 Email: mfoderick@mccarthy.ca

Assistant: Hayley Barredo Direct Line: 416-601-8200 x542065 Email: hbarredo@mccarthy.ca

December 1, 2023

Via Email (adrienne.debacker@toronto.ca; cameron.mckeich@toronto.ca)

With Prejudice

John D. Elvidge, City Clerk City of Toronto, City Clerk's Office Toronto City Hall 13th Floor, West Tower 100 Queen Street West Toronto, ON M5H 2N2 Adrienne deBacker and Cameron McKeich Solicitors, Legal Services, Planning & Administrative Tribunal Law Section City of Toronto, Metro Hall 55 John Street, 26th Floor Toronto, ON M5V 3C6

To Whom it May Concern:

Re: Settlement Offer Letter – Official Plan Amendment No. 231 Ontario Land Tribunal Case No. OLT-22-002343 153 Dufferin Street, Toronto

We represent 939923 Ontario Limited (the "Owner"), the owner of the lands known municipally as 153 Dufferin Street in the City of Toronto (the "City"). The Owner is an appellant party to the Ontario Land Tribunal proceeding with respect to the appeals brought pursuant to subsection 17(36) of the *Planning Act*, R.S.O. 1990, c. P.13 relating to the City's adoption of Official Plan Amendment No. 231 ("OPA 231"), which was adopted in December 2013 (the "Appeal"). The Owner is listed as Appeal #49 to the Appeal of OPA 231.

Further to our discussions with City staff, we write to make a with prejudice offer to settle the Appeal of OPA 231 with the City in its entirety (the "Settlement Offer").

This Settlement Offer for the Appeal is conditional on:

- (a) City Council accepting this with prejudice Settlement Offer to settle Appeal #49 of OPA 231 on the basis of the attached draft Site and Area Specific Policy relating to certain lands located in the blocks bounded by King Street West, Dufferin Street, CN Rail Corridor, and Hanna Avenue, sent previously by the City on November 30, 2023 and attached hereto as Schedule "A" (the "Draft SASP"), during its meeting scheduled for December 13-15, 2023; and,
- (b) the City consenting to the parties to the appeal of OPA 231 requesting a settlement hearing for the Appeal, to be held on a date to be scheduled as soon as possible, for the issuance of a final order approving the Draft SASP and making corresponding amendments to mapping in OPA 231 and the City's Official Plan.





This Settlement Offer is made with prejudice. Should you require further information, please do not hesitate to contact our office.

Sincerely,

McCarthy Tétráult LLP

Michael Foderick Partner | Associé

MF/DA Attachment c: Tina Kapelos

# SCHEDULE "A" DRAFT SITE AND AREA SPECIFIC POLICY

# WITHOUT PREJUDICE

# PROPOSED MODIFICATIONS

# Amendment to the City of Toronto Official Plan Amendment 231

# Blocks generally bound by King Street West, Dufferin Street, Lakeshore Rail Corridor & Hanna Avenue

The City of Toronto Official Plan is amended as follows:

 Map 2, Urban Structure, is modified by deleting *Employment Areas* on the blocks generally bounded by King Street West, Dufferin Street, CN Rail Corridor and Hanna Avenue, as shown below outlined in heavy black lines:



- 2. Map 18, Land Use Plan, is amended by re-designating the blocks generally bounded by King Street West, Dufferin Street, CN Rail Corridor and Hanna Avenue, as shown above outlined in heavy black lines, from *General Employment Areas* and *Core Employment Areas* to *Regeneration Areas*.
- Chapter 6, Section 14, Garrison Common North Secondary Plan, is amended by replacing the map and policies for Site and Area Specific Policy No. 3 with the following:

Page 1 of 7

#### DRAFT-CONFIDENTIAL

# AND STREET WEST

# WITHOUT PREJUDICE

#### '3 Area 3

# Certain lands located in the Blocks Bounded by King Street West, Dufferin Street, CN Rail Corridor and Hanna Avenue

A healthy and vibrant employment precinct will be maintained and enhanced for this area of Liberty Village that is fully integrated and connected to the surrounding area and encompasses a broad variety of non-residential land uses. Once the home to some of Canada's largest industrial manufacturers, this area of Liberty Village has reinvented itself as an important centre for the City's creative economy. Instead of factories, primary uses now include offices, studios, research and development facilities, utilities, post-secondary trade schools, and media facilities.

A key policy objective of the City and the Official Plan is to ensure that the vibrant employment area in Area 3 is maintained and enhanced as Liberty Village continues to evolve. The policies below outline the priorities for Area 3 to accommodate an appropriate mix of uses, while building complete communities. The City will work in partnership with local area landowners, business, associations and interested parties (both public and private) to ensure that this area remains an attractive location for economic activity and business investment.

- Prior to the completion of the studies identified in policies below, to the City's satisfaction, and the adoption of a Secondary Plan or a Community Planning Permit System implementing Official Plan amendment and Community Planning Permit System by-law:
  - all uses permitted under the Core Employment Areas designation and Regeneration Areas designation, with the exception of residential uses, livework uses, and overnight accommodation, are permitted on the lands;

Page 2 of 7

#### DRAFT-CONFIDENTIAL



- (ii) uses such as small-scale service uses such as banks, entertainment facilities, parks, workplace ancillary daycares, small-scale retail and restaurant uses along with recreational uses to support the viability of the site's primary office use and provide amenities for the Area's current and future employees are permitted; and
- (iii) small scale restaurants that are ancillary to and support the Area's primary employment uses are permitted provided they are located on the ground floor level of buildings that currently contain or are intended to accommodate primary employment uses.
- New residential, overnight accommodation, and live-work uses will not be permitted in General Employment Areas, Core Employment Areas or Regeneration Areas prior to the adoption of a Secondary Plan or a Community Planning Permit System implementing Official Plan amendment and Community Planning Permit System by-law.
- 3. Lawfully established and existing residential and live-work uses are permitted.
- Retail uses up to a maximum gross floor space of 6,000 square metres may be located in Area 3 provided:
  - the retail use is not stand alone and is proposed to be incorporated into the ground floor of a multi-storey building that currently contains or is intended to accommodate employment uses; and
  - all other applicable Official Plan policies and conditions for retail uses are met.
- 5. Stand-alone retail uses of more than 6,000 square metres are not permitted in Area 3.
- The adopted Secondary Plan or a Community Planning Permit System implementing Official Plan Amendment and Community Planning Permit System by-law will require that:
  - a minimum of 45 percent of the total gross floor area for each site will be dedicated to non-residential gross floor area or all of the existing nonresidential gross floor area on each site will be replaced, whichever is greater, to be built prior to or concurrent with any residential uses;
  - (ii) of the minimum required gross floor area in Policy 6 j. above, a minimum of 51 percent of the total non-residential gross floor area for each site will be dedicated to *Core Employment Areas* uses, including offices, studios, trade schools, and creative industries, to be built on the site prior to or concurrent with any residential uses; and
  - amendments to the minimum non-residential gross floor area in Policy 6.
    (i) above may be considered and incorporated into the adopted Secondary

Page 3 of 7

#### DRAFT-CONFIDENTIAL



Plan or Community Planning Permit System, as required, to the satisfaction of the City, in order to implement any conclusions, findings and/or recommendations of current or future City studies that are appropriate for Area 3 and opportunities to grow the vibrant employment area are enhanced.

- In addition to the matters identified in Policy 2 of Section 4.7 of the Official Plan, the local study leading to the Secondary Plan or Community Planning Permit System may be informed by the review of any active or concurrent site-specific applications in the area, in particular, nearby Official Plan Amendment applications, and Zoning By-law Amendment applications.
- 8. In addition to the matters identified in Policy 2 of Section 4.7 of the Official Plan, the framework for development of the lands subject to this Site and Area Specific Policy will be set out in a scoped local area study leading to a Secondary Plan or a Community Planning Permit System, and will be guided the following reports and studies, to the satisfaction of the City:
  - (a) A Land Use and Development Plan that:
    - provides for the redesignation of Regeneration Areas lands to Mixed Use Areas, Parks and Open Space Areas, Institutional Areas, Utility Corridors, Core Employment Areas and General Employment Areas, as appropriate;
    - (ii) identifies any existing and potential land use compatibility issues with introducing sensitive land uses, including residential uses, and impacts to existing and expanding employment uses in nearby *Employment Areas* and/or major facilities;
    - (iii) outlines maximum building heights and other built form provisions across the area to be included within the Secondary Plan or a Community Planning Permit System;
    - (iv) outlines built form considerations, which may include setbacks, active atgrade uses, at-grade outdoor amenity spaces, vehicular access, parking and servicing areas, views and vistas, variety, variation, and transition in scale, base building and building heights, shadow impact on the public realm, parks and open spaces, the design of tall, mid-rise and low-rise buildings, design excellence and sustainability measures;
    - (v) creates a phasing strategy for the approval and construction of residential uses in conjunction with non-residential uses; and
    - (vi) prohibits large-scale, stand-alone retail stores and "power centres";

Page 4 of 7

#### DRAFT-CONFIDENTIAL



- (b) A Cultural Heritage Resource Assessment (CHRA) will be undertaken for the Liberty Village Area to ensure that properties of cultural heritage value or interest are appropriately identified, understood and conserved.
- (c) A Parks and Public Realm Strategy that sets out appropriate public realm and park/open space matters, including:
  - streets and blocks, streetscaping, landscaping, Privately-Owned Publicly Accessible Open Spaces (POPS), mid-block connections, public art and heritage interpretation; and
  - (ii) identifies locations of new public parks and other open spaces and prioritizes full unencumbered parkland dedication on potential development sites;
- (d) A Transportation Master Plan that:
  - applies the City's "Complete Streets" principles, including a hierarchy of streets that improves transit accessibility, cycling infrastructure, pedestrian pathways, and contributes to a safe, comfortable and connected public realm throughout Area 3;
  - (ii) outlines connectivity to transit options throughout the local area, including multiple connections to the Exhibition Ontario Line/GO Station and King Liberty SmartTrack GO Station; and
  - (iii) identifies opportunities for more porosity through Area 3 to connect it to the transit on King Street West, Dufferin Street, and Strachan Avenue;
- (e) An Economic Development Strategy to recommend measures to enhance existing employment uses, non-residential investment and jobs in the area;
- An Infrastructure Master Plan, including public utilities plan, that identifies such infrastructure as water, sanitary, stormwater and hydro infrastructure requirements and any improvements required to support new redevelopment;
- (g) A Green Infrastructure Strategy that includes the following:
  - consideration of low and zero impact development, active transportation, stormwater management systems, and measures to protect and ensure long term maintenance of trees and landscaping; and
  - (ii) a Community Energy and Emissions Plan to identify opportunities to integrate local energy solutions and practices that are efficient, low carbon, and resilient. The Plan will address opportunities for near-zero emissions in new development, including low embodied carbon materials, low-carbon

Page 5 of 7

#### DRAFT-CONFIDENTIAL



energy solutions, district energy, deep retrofits to existing buildings, and energy resilience; and,

- (h) A Community Services and Facilities Strategy that identifies community service facility needs and sets out priorities to support growth, which may include potential locations, phasing and opportunities for co-location.
- 9. Holding (H) provisions may be placed on all or part of the lands until matters set out in this Site and Area Specific Policy, the adopted Secondary Plan or a Community Planning Permit System implementing Official Plan Amendment, or conditions set out in a sitespecific zoning by law or in a Community Planning Permit System by-law are satisfied.
- 10. The adopted Secondary Plan or a Community Planning Permit System implementing Official Plan Amendment and Community Planning Permit System by-law will require that new development containing residential units will secure a minimum amount of affordable housing on each site as follows:
  - (a) If a condominium development is proposed, a minimum of 7 percent of the total new residential gross floor area will be secured as affordable rental housing or a minimum of 10 percent of the total new residential gross floor area will be secured as affordable ownership housing;
  - (b) if a purpose-built rental development is proposed after 2025, a minimum of 5 percent of the total new residential gross floor area will be secured as affordable rental housing;
  - (c) The affordable housing will be secured at affordable rents or affordable ownership prices for a period of at least 75 years from the date of first residential occupancy of the unit; and
  - (d) The unit mix of the affordable housing will reflect the market component of the development, as appropriate, to achieve a balanced mix of unit types and sizes and support the creation of affordable housing suitable for families.
- 11. Where a complete application for a Zoning By-law Amendment or a community planning permit application has not been filed prior to January 1, 2025, the affordable rental housing required in Policy 10a) will increase by 1.5 percent per year and affordable ownership housing requirements will be set at 1.4 times the affordable rental housing requirements until January 1, 2030.
- The provision of affordable housing required by Policy 10 and Policy 11 shall be secured through one or more agreements with the City.
- Conditions to be met prior to the removal of a holding ("H") provision on each site shall include the following:

Page 6 of 7

#### DRAFT-CONFIDENTIAL



- (a) Entering into a Municipal Housing Project Facility Agreement or such other agreement(s) as may be satisfactory to the City Solicitor to secure the provision of affordable housing; and
- (b) The submission and acceptance of a Housing Issues Report, to the satisfaction of the Chief Planner and Executive Director, that identifies the unit mix, unit sizes, and how affordable housing requirements will be met.
- 14. If an Inclusionary Zoning By-law takes effect and becomes applicable to any development on the lands, then the Official Plan Inclusionary Zoning policies and by-law, as may be amended, will prevail and the affordable housing requirements in Policy 10 and Policy 11 will no longer apply, but only provided the applicable Inclusionary Zoning policy and bylaw requirements meet or exceed the requirements of Policy 10 and Policy 11 above.'

DRAFT-CONFIDENTIAL

Page 7 of 7