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January 21, 2024

Our File No.: 211547

WITHOUT PREJUDICE

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

Attention: Daniel Elmadany

Dear Sirs/Mesdames:

**Re: Lead Case No. OLT-23-000211 – Without Prejudice Settlement Offer
133-141 Erskine Avenue**

We are solicitors for 133 Erskine GP Inc. and QRES VI (Property) Inc. in respect of the properties known municipally as 133-141 Erskine Avenue (the “**Lands**”). We are writing on behalf of our client to provide a without prejudice settlement offer in respect of the above-noted matter, which should be considered as open until the conclusion of the City Council meeting scheduled to commence on February 6, 2024, unless otherwise indicated.

As you know, our client engaged in without prejudice discussions with City staff over the last several months regarding the redevelopment proposal for the Lands. These discussions resulted in a revised set of plans, prepared by Arcadis and dated January 1, 2024, which are attached to this letter as Schedule “A” (the “**Revised Plans**”). Our client greatly appreciates the efforts of City staff in achieving this proposed settlement.

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 amendment(s). Key aspects of the Revised Plans include:
 - a. tower setbacks as shown on the Revised Plans, including a 10.0 metre tower setback to the south property line, with a corresponding tower floor plate of 692 square metres above the 8th-storey;
 - b. a revised ground floor plan to achieve at-grade retail gross floor area along Redpath Avenue and a 7.5 metre setback along Erskine;

- c. a proposed height of 35-storeys (excluding mechanical penthouse);
 - d. no projecting balconies will be permitted on the north and east elevations of the proposed tower, except for the northwest corner that extends all the way to the ground floor, as shown on the Revised Plans, and all other balconies will have limited projections, the extent of which will be determined through finalization of the zoning by-law amendments;
 - e. a revised podium with stepped heights, setbacks and stepbacks as shown on the Revised Plans;
 - f. the implementing zoning by-law(s) will require a minimum 10% of the units as 3-bedroom units, 15% of the units as 2-bedroom units and an additional 15% of the total number of units as a combination of 2-bedroom and 3-bedroom units, or units that can be converted to 2-bedroom and 3-bedroom units through the use of adaptable design measures in accordance with the Yonge-Eglinton Secondary Plan.
2. Our client agrees that, in the event City Council accepts this without prejudice settlement offer, and the Ontario Land Tribunal allows the appeal, to request the Ontario Land Tribunal to withhold its Order until such time as the Ontario Land Tribunal has been advised by the City Solicitor that:
- a. the final form and content of the draft zoning by-law amendment(s) is satisfactory to the Interim Chief Planner and Executive Director, City Planning and the City Solicitor;
 - b. the Owner to enter into a Limiting Distance Agreement between the landowners of 133 Erskine Avenue, 141 Erskine Avenue and the City, to be registered on title to the applicable properties, that would prevent the erection of a building above existing height permissions on the 141 Erskine Avenue Property to the extent of the separation (or such lesser extent as determined by the Interim Chief Planner and Executive Director, City Planning) between the existing building on 141 Erskine Avenue and the proposed development on 133 Erskine Avenue, to the satisfaction of the Interim Chief Planner and Executive Director, City Planning and the City Solicitor;
 - c. the Owner has, at its sole cost and expense:
 - o submitted a revised Functional Servicing Report and Stormwater Management Report, Hydrogeological Review, including the Foundation Drainage Report ("Engineering Reports") to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services, in consultation with the General Manager, Toronto Water;
 - o secured the design and provision of financial securities for any upgrades or required improvements to the existing municipal infrastructure identified in the

- accepted Engineering Reports, to support the development, all to the satisfaction of the Chief Engineer and Executive Director, Engineering and Construction Services and the General Manager, Toronto Water, should it be determined that improvements or upgrades are required to support the development, according to the accepted Engineering Reports, accepted by the Chief Engineer and Executive Director, Engineering and Construction Services and the General Manager, Toronto Water;
- o ensured that implementation of the accepted Engineering Reports does not require changes to the proposed amending By-laws or that any required changes have been made to the proposed amending By-laws to the satisfaction of the Interim Chief Planner and Executive Director, City Planning and the City Solicitor, including the use of a Holding ("H") By-law symbol regarding any new municipal servicing infrastructure or upgrades to existing municipal servicing infrastructure, as may be required;
 - d. submitted a revised Transportation Impact Study, including Transportation Demand Management Plan to the satisfaction of the Interim Chief Planner and Executive Director, City Planning and the General Manager, Transportation Services and that such matters arising from such study be secured if required;
 - e. submitted an updated Heritage Impact Assessment to the satisfaction of the Senior Manager, Heritage Planning, City Planning;
 - f. submitted an updated Landscape Plan demonstrating sufficient soil volume for tree growth satisfactory to the Director, Urban Forestry, Parks Forestry and Recreation and Interim Chief Planner and Executive Director, City Planning;
 - g. submitted an updated Pedestrian Level Wind Study, and secured any required mitigation measures in the Zoning By-law Amendment (where appropriate), to the satisfaction of the Interim Chief Planner and Executive Director, City Planning;
 - h. submitted a Sun/Shadow Study updated Pedestrian Level Wind Study, and secured any required mitigation measures in the Zoning By-law Amendment (where appropriate), to the satisfaction of the Interim Chief Planner and Executive Director, City Planning; and,
 - i. City Council has approved the Rental Housing Demolition application (Application 21 251207 NNY 15 OZ) under Chapter 667 of the Toronto Municipal Code pursuant to Section 111 of the *City of Toronto Act, 2006*, to permit the demolition of the existing rental units on the site, and the Owner has entered into, and registered on title to the lands, one or more agreements with the City, to the satisfaction of the Chief Planner and Executive Director, City Planning and the City Solicitor, securing the following:

- the replacement of the existing residential rental units on the lands;
- the rents, rental tenure, unit mix, and unit sizes of the replacement rental units;
- an acceptable Tenant Relocation and Assistance Plan addressing the right for existing tenants to return to replacement rental units on the lands at similar rents, the provision of alternative accommodation at similar rents, and other assistance to mitigate hardship, all to the satisfaction of the Chief Planner and Executive Director, City Planning; and
- any other rental housing-related matters in conformity with Policy 3.2.1.6 of the Toronto Official Plan and Chapter 667 of the Toronto Municipal Code.

As noted above, this without prejudice settlement offer will remain open until the end of the City Council meeting scheduled to commence on February 6, 2024, unless otherwise indicated, at which point it should be considered as withdrawn if not accepted by City Council. If City Council accepts the Settlement Offer, our client consents to the release of this Settlement Offer, including all enclosures.

Yours truly,

Goodmans LLP



David Bronskill
DJB/

1405-5115-8537