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Our File No.: 231215

**DELIVERED BY EMAIL**

City of Toronto  
Metro Hall, 26<sup>th</sup> Floor  
55 John Street  
Toronto, ON M5V 3C6

**Attention: Ray Kallio and Jamie Dexter, City Legal Services**

Dear Mr. Kallio and Mr. Dexter,

**Re: Without Prejudice: Settlement Proposal**  
**Application Nos: 23 174322 WET 05 OZ and No. 23 174306 WET 05 OZ**  
**Appeal of Official Plan and Zoning By-law Amendment**  
**OLT File Nos.: OLT-23-001088, OLT-24-000362, OLT-24-000363**  
**5-15 Denarda Street and 2-16 Denarda Street**

We are solicitors for KS Denarda Holdings Inc. and KS Denarda Street (collectively “**KingSett**”), the owners of the properties known municipally in the City of Toronto (the “**City**”) as 5, 7, 9, 13, 13A, and 15 Denarda Street (“**5-15 Denarda**”) and 2, 4, 6, 8, 10, 12, 14 and 16 Denarda Street (“**2-16 Denarda**” and collectively the “**Denarda Properties**”). KingSett has appealed its site specific applications to amend the City of Toronto Official Plan, Zoning By-law 569-2013 (the “**OPA and ZBA Applications**”) and for Site Plan Control (the “**SPA Applications**”) for both 5-15 Denarda and 2-16 Denarda to the Ontario Land Tribunal (the “**OLT**”).

The OPA and ZBA Applications were the subject of a productive mediation process that resulted in specific adjustments to the proposed developments. We are hereby writing to provide the City with a resulting Without Prejudice Settlement Offer from KingSett (the “**KingSett Settlement Offer**”), which we ask you to submit to City Council on May 22, 2024. Our client greatly appreciates the efforts of City staff in achieving this proposed settlement.

**Background:**

The Denarda Properties are comprised of two distinct land assemblies forming two individual development sites physically separated by the Denarda Street right-of-way. 5-15 Denarda is located on the south side of Denarda Street and 2-16 Denarda is located on the north side of

Denarda Street.

The OPA and ZBA Applications submitted would permit redevelopment of:

- 5-15 Denarda for a 44-storey building comprised of a 38-storey tower atop a six (6) storey base building containing 509 residential units; and
- 2-16 Denarda for a 43-storey building comprised of a 37-storey tower atop a 6-storey base building containing 561 dwelling units. The 2-16 Denarda applications would also incorporate a midblock connection extending north from Denarda Street to Ray Avenue.

The property at 1 Denarda Street, in close proximity to 5-15 Denarda, is also owned by KingSett and was included in the OPA and ZBA applications and proposed for use as a public parkland dedication.

Although City Council (“**Council**”) refused the OPA and ZBA Applications on December 13, 2024, Council directed that further to subsections 22 (8.1) and 34 (11.0.01) of the *Planning Act*, the City should make use of mediation, or other dispute resolution techniques to attempt to resolve these matters, prior to any appeals filed were forwarded to the OLT. Further to that direction, the City and KingSett participated in private mediation sessions in an effort to resolve the issues raised by City Staff in regard to the OPA and ZBA Applications in early 2024. These sessions did not result in a resolution of the applications prior to the OPA and ZBA Applications being forwarded to the OLT but additional time and productive discussions between KingSett and City representatives has resulted in the included KingSett Settlement Offer. The OLT has scheduled Case Management Conferences for the OPA and ZBA Applications on June 25, 2024 for the parties to the mediation to provide the Tribunal with an update on the results of private mediation and to schedule the next hearing event.

In that respect, we are writing to provide the City with a Without Prejudice Settlement Offer from KingSett which we ask you to submit to City Council on May 17, 2024. If accepted, then KingSett and the City would jointly support the settlement at the OLT hearing of the OPA and ZBA Applications to be scheduled at the upcoming OLT Case Management Conferences.

The KingSett Settlement Offer and the associated Settlement Plans attached as Appendix “A”, “B” “C”, “D” and “E” to this confidential attachment respectively and can be summarized as follows:

- the height of 5-15 Denarda is being reduced from 44 storeys to 43 storeys;
- the height of 2-16 Denarda is being reduced from 43 storeys to 39 storeys;
- there will be modifications to the form of the buildings to achieve a form of urban design that is satisfactory to City Planning Staff including:
  - 5-15 Denarda:
    - there will be no balconies protruding into the building setback facing the north east;

- there will be no balconies protruding into the Denarda Street facing building setback at floors 7-43;
- on the Denarda Street frontage, floors 5-6 will be set back from the floors below by approximately 3 meters; and
- units at floors 2-4 facing the south east will be designed so that there are no units that only face directly to the south east.
- 2-16 Denarda:
  - there will be no balconies protruding into the Denarda Street facing building setback at floors 7-39; and
  - on the Denarda Street frontage floors 5-6 will be set back from the floors below frontage by approximately 3 meters.
- four (4) accessible parking spaces will be provided at 5-15 Denarda;
- four (4) accessible parking spaces will be provided at 2-16 Denarda;
- the trees on and surrounding 5-15 Denarda and 2-16 Denarda will be generally as illustrated on the landscape and soil volume plans attached as Appendix “D” and “E” respectively to KingSett’s Settlement Offer Letter and the trees illustrated as removed including tree T-2 on the attached landscape and soil volume plans will be removed and any required permissions from the City of Toronto will be provided accordingly;
- KingSett will pay the value of tree T-2 to the City and any planting of replacement new trees will be determined at the Site Plan Approval stage for 2-16 Denarda.
- the soil volumes for 5-15 Denarda and 2-16 Denarda will be generally as illustrated on landscape and soil volume plans attached as Appendix “D” and “E” respectively to KingSett’s Settlement Offer Letter; and
- the overall FSI density will be 16.67 for 5-15 Denarda and 11.50 for 2-16 Denarda.

There will also be an agreement between the City and KingSett for the provision of:

- A Limiting Distance Agreement or other form of legal agreement satisfactory to the City Solicitor confirming that 1 Denarda will not be developed for a tall building without the consent of the Chief Planning and Executive Director of the City of Toronto;

Finally, KingSett acknowledges that although the minimum residential parking rate for both 5-15 Denarda and 2-16 Denarda will be zero (0) parking spaces, should KingSett proceed to construct more residential parking than are illustrated on the Settlement Plans attached as Appendix “B” and “C” respectively to KingSett’s Settlement Offer Letter, it will provide additional accessible parking spaces at a ratio of 5% accessible parking spaces for each additional optional residential parking space provided. If the calculation of the number of accessible parking spaces results in a number with a fraction, the number is rounded down to the nearest whole number.

As noted above, this without prejudice settlement offer will remain open until the end of the City Council meeting scheduled to commence on May 22, 2024, unless otherwise indicated, at which point it should be considered as withdrawn if not accepted by City Council.



We would be pleased to submit any further information as required.

Yours truly,

**Goodmans LLP**

A handwritten signature in blue ink, appearing to read "AB", followed by a long horizontal line.

Anne Benedetti

cc. Tom Giancos, KS Denarda Holdings Inc. and KS Denarda Street  
Rabia Ahmed, City of Toronto Community Planning

**APPENDIX “A”  
To KingSett’s Settlement Offer Letter**

*Support at the Ontario Land Tribunal (“OLT”):*

- 1.1** KingSett and the City (the “**Parties**”) each agree,
- (a) to jointly support a settlement (the “**Settlement**”) at the OLT Hearing of KingSett’s official plan, and zoning, that would allow for their resolution upon the terms and conditions set out in the KingSett Settlement Offer, and
  - (b) to that end, either Party may file the KingSett Settlement Offer at the OLT Hearing.

*Site Specific OPAs, and Zoning Amendments*

- 1.2** The Parties each agree to request the Tribunal approve official plan amendments, to permit the redevelopment of 5-15 Denarda and 2-16 Denarda generally in accordance with the drawings attached as Appendix “B”, “C”, “D” and “E” respectively to KingSett’s Settlement Offer Letter with the language of the official plan amendment to incorporate the appropriate provisions that are in keeping with the Settlement and appropriate for the development of the Property.
- 1.3** The Parties each agree to request the Tribunal approve zoning by-law amendments to permit the redevelopment of 5-15 Denarda and 2-16 Denarda generally in accordance with the drawings attached as Appendix “B”, “C” “D” and “E” respectively to KingSett’s Settlement Offer Letter.

*Mount Dennis Secondary Plan:*

- 1.4** The City agrees to revise the Mount Dennis Secondary Plan (Official Plan Amendment 571) and any associated Site and Area Specific Plans to remove 5-15 Denarda and 2-16 Denarda.

*Built Form and Urban Design Matters:*

- 1.5** The Parties each agree that the zoning by-law amendment will incorporate the following built form and urban design matters generally as shown on the drawings attached as Appendix “B”, “C”, “D” and “E” to KingSett’s Settlement Offer Letter:
- (a) base building heights of 4-storeys surrounding the tall buildings at both 5-15 Denarda and 2-16 Denarda as shown on the drawing attached as Appendix “B” and “C” respectively to KingSett’s Settlement Offer Letter;
  - (b) heights of buildings generally as shown on the drawings attached as Appendix “B” and “C” respectively to KingSett’s Settlement Offer Letter subject to appropriate increases to incorporate the number of storeys and built form set out;

- (c) limitations on balconies that project beyond the building envelope:
  - (i) on 5-15 Denarda facing to the north east; and
  - (ii) on the street walls above 7 storeys of both 5-15 and 2-16 Denarda facing Denarda Street.
- (d) on the Denarda Street frontage for both 5-15 Denarda and 2-16 Denarda, floors 5-6 will be set back from the floors below by approximately 3 meters;
- (e) at 5-15 Denarda units at floors 2-4 facing the south east will be designed so that there are no units that only face directly to the south east;
- (f) the trees on and surrounding 5-15 Denarda and 2-16 Denarda will be generally as illustrated on the landscape and soil volume plans attached as Appendix “D” and “E” respectively to KingSett’s Settlement Offer Letter and the trees illustrated as removed including tree T-2 on the attached landscape and soil volume plans will be removed and any required permissions from the City of Toronto will be provided accordingly;
- (g) KingSett will pay the value of tree T-2 to the City and any planting of replacement new trees will be determined at the Site Plan Approval stage for 2-16 Denarda; and
- (h) the soil volumes for 5-15 Denarda and 2-16 Denarda will be generally as illustrated on landscape and soil volume plans attached as Appendix “D” and “E” respectively to KingSett’s Settlement Offer Letter.

## *Parking Related Matters:*

- 1.6** Parking will be provided at the following rates for each of 5-15 Denarda and 2-16 Denarda:
  - (a) a minimum of 0 residential occupant parking spaces for each dwelling unit;
  - (b) a minimum 2.0 parking spaces plus 0.05 parking spaces per dwelling unit for residential visitors;
- 1.7** A minimum of four (4) of the required residential visitor parking spaces at each of 5-15 Denarda and 2-16 Denarda will be accessible parking spaces.
- 1.8** KingSett and the City acknowledge and agree that although the minimum residential parking rate for both 5-15 Denarda and 2-16 Denarda will be as set out in paragraph 1.6 (a) above, should KingSett proceed to construct more residential parking than illustrated on the Settlement Plans attached as Appendix “B” and “C” respectively to KingSett’s Settlement Offer Letter, it will provide additional accessible parking spaces at a ratio of 5% accessible parking spaces for each additional optional residential parking space provided. If the calculation of the number of accessible parking spaces results in a number with a fraction, the number is rounded down to the nearest whole number.

*Limiting Distance Agreement*

- 1.9** KingSett and the City acknowledge and agree that they will enter into a Limiting Distance Agreement or other form of legal agreement satisfactory to the City Solicitor confirming that 1 Denarda will not be developed for a tall building without the consent of the Chief Planning and Executive Director of the City of Toronto.

*Order to be withheld*

- 1.10** The Parties also agree to request the Tribunal withhold its order approving the official plan amendment until the Tribunal is advised by legal counsel for the City that:
- (a) the final form of the official plan amendment is acceptable to the City Solicitor.
- 1.11** The Parties also agree to request the Tribunal withhold its order approving the zoning by-law until the Tribunal is advised by legal counsel for the City that:
- (a) the final form of the zoning by-laws are acceptable to the City Solicitor,
  - (b) the owner of the Site has entered into the Limiting Distance Agreement or other agreement to the satisfaction of the City Solicitor and it has been executed by the Parties and registered on title to the Property;