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May 31, 2024

CONFIDENTIAL AND WITHOUT PREJUDICE

By E-Mail: Sarah.OConnor@toronto.ca and Lauren.Pinder@toronto.ca

Sarah O'Connor and Lauren Pinder
Solicitor, Planning and Administrative Tribunal Law
City of Toronto Legal Services
Metro Hall, 26th Floor
55 John Street
Toronto, ON M5V 3C6

Dear Mses. O'Connor and Pinder

**Re: WITHOUT PREJUDICE SETTLEMENT OFFER
Zoning By-law Appeals
309 Cherry Street, City of Toronto
12 131809 STE 30 OZ and 16 271912 STE 30 OZ
OLT Lead Case No.: OLT-22-002946
-and-
PL030514 (now OLT-22-002109) (Central Waterfront Secondary Plan)**

Aird & Berlis LLP represents 2034055 Ontario Limited and 1337194 Ontario Inc. (collectively, our “**Client**”). Our client is the owner of lands within the City of Toronto municipally known as 309 Cherry Street (the “**Site**”).

Please accept this letter and the enclosed attachments as our Client’s *without prejudice* offer to settle the above-noted OLT appeals respecting the zoning of the Site. Our Client is prepared to resolve its outstanding appeals based on the development proposal set out in the attached plans and in this letter (the “**Settlement Proposal**”).

Implementation of the Settlement Proposal will require site-specific relief from certain requirements currently prescribed by the Official Plan Modification (the “**Port Lands OPM**”). As detailed further below, it is expected that said relief will form part of the City initiated forthcoming amendment to the Port Lands OPM. Accordingly, this Settlement Proposal is conditional upon the coming into force of amendments to the Port Lands OPM that would facilitate the OLT’s approval of a zoning by-law amendment for the Site that would permit the development described in the Settlement Proposal.

In addition to a settlement of OLT Lead Case No. OLT-22-002946, we confirm that our client is also prepared to settle its outstanding appeals of policies 5.12, 8.5, 8.7, 8.8, 8.9, 15.8, 15.9 and 15.10 (which form part of Case No. PL030514) if the Settlement Proposal is accepted in principle by the City and the required amendments to the City initiated Port Land OPM amendment come into force. Our client’s ask is that City Council provide its instructions to accept the Settlement Proposal in principle by close of its meeting scheduled to commence on June 26, 2024. Our client

will thereafter work with the City to resolve the required amendments to the Port Lands OPM necessary to allow a settlement zoning by-law (in a form and with contents satisfactory to the City) to proceed to the OLT.

What follows herein is a description of the Settlement Proposal including the terms and requirements our client is prepared to accept and/or implement.

Brief Description of Site

The Site is located within the Villiers Island Precinct Plan Area of the Port Lands, with frontages along Villiers Street, Commissioners Street, Cherry Street and the future Foundry Street. A future Centre Street (east-west) will bisect the Site, creating two distinct development blocks – a northerly block bounded by Villiers Street, Cherry Street, and the future Centre Street and Foundry Street (the “**North Block**”, also referred to in the attached Zoning By-law Amendment as “Block 1”) and a southerly block bounded by Cherry Street, Commissioners Street, and the future Centre Street and Foundry Street (the “**South Block**”, also referred to in the attached Zoning By-law Amendment as “Block 2”).

The Site contains the former William McGill and Company Building and the former Bank of Montreal Building, each of which is currently the subject of a Notice of Intent to Designate under the *Ontario Heritage Act*. The Site is presently being used for a mix of industrial and temporary uses.

Zoning By-law Amendment Appeals

Rezoning applications to permit redevelopment of the North Block and the South Block were submitted to the City on March 5, 2012 and December 30, 2016, respectively.

The rezoning application for the North Block sought permission for a mixed-use development comprised of a 26-storey residential tower atop an 8-storey podium along Villiers Street, with partial retention of the existing heritage buildings (each proposed to be adaptively reused).

The rezoning application for the South Block sought permission for a mixed-use development including an 11-storey building along Cherry Street and a 52-storey building above a ‘u-shaped’ podium. The podium base proposed to range in height from 4 to 12 storeys along Commissioners Street and the future Foundry Street.

The advancement of site-specific planning for the North Block and South Block was put on hold as the City and Waterfront Toronto completed various Port Lands Acceleration Initiative projects, including the Port Lands Framework Plan and the Villiers Island Precinct Plan, as well as a resulting Port Lands OPM, which resulted in residential permissions being contemplated for the Site.

Our Client appealed its rezoning applications to the OLT on October 31, 2014 (for the North Block) and June 1, 2017 (for the South Block). These appeals were consolidated by the OLT in June 2018 and subsequent case management conferences were held in July 2022 and October 2023. A further case management conference is scheduled for June 4, 2024. Absent a resolution of these appeals with the City, it is our Client’s intention to proceed with an OLT merits hearing in early 2025.

On April 23, 2024, our Client served and filed a revised set of architectural plans representing the proposal it intends to pursue before the OLT. The revised proposal included an offer of 5% of the total residential units as affordable housing units to be secured for a period of 25 years (the “**Merit Hearing Plans**”). While our Client expressly reserves its right to modify the Merit Hearing Plans, the Merit Hearing Plans were filed on the record to formally notify the Parties of our client’s position and to facilitate the creation of an Issues List and Procedural Order should a site-specific zoning resolution not be achieved with the City.

Port Lands OPM Appeals

The Villiers Island Precinct Plan was endorsed by City Council in December 2017. It provides the vision and planning framework for the development of Villiers Island and the Precinct Plan sets out a number of guiding principles.

The Port Lands OPM was also endorsed by City Council in December 2017. This OPM modifies OPA 257, referred to as the Central Waterfront Secondary Plan (the “**CWSP**”). OPA 257 was appealed by a number of parties including our clients. The CWSP appeals, which have now been largely resolved, are identified as PL030514 (now OLT-22-002109), PL030412 (now OLT-22-003806) and PL101091 (now OLT-22-002672).

The hearing of the Port Lands OPM was divided into a series of phases. Phase 1 focused on land use and transportation issues and was concluded by way of a settlement reached among the parties, resulting in an OLT Decision and Order issued May 18, 2021. Phase 2 focused on built form, heritage, community services and facilities, views, sustainability and biodiversity issues. Phase 2 similarly concluded by way of a settlement, resulting in an OLT Decision and Order issued July 11, 2022. In both cases, our Client supported the settlements achieved amongst the City and the various parties.

In terms of the Port Lands OPM appeals, there remains outstanding a small number of contested policies related to growth funding tools, including the City’s former Section 37 (i.e. bonusing) policies, which our Client has maintained under appeal. As noted above, if City Council accepts the Settlement Proposal in principle, ultimately resulting in a consent rezoning of the Site being approved by the OLT, our Client will settle its outstanding Port Lands OPM appeals. It is not our Client’s intent to further pursue these appeals if the Port Lands OPM is appropriately amended to facilitate the Settlement Proposal and/or if any further site specific relief to the policies that remain under appeal are amended to facilitate the Settlement Proposal.

Draft Plan of Subdivision Application

During the Port Lands OPM process, our Client filed a companion application for Draft Plan of Subdivision to permit four development blocks on the Site. This application was deemed complete as of December 3, 2021 and is assigned City File No. 21 234718 STE 14 SB. As described below, this draft plan application can be used to facilitate required portions of the Settlement Proposal.

Resubmission of Zoning By-law Amendment Applications (March 2023)

On March 15, 2023, following the Tribunal’s approval of the Port Lands OPM, our Client’s consultants filed resubmissions for both the North Block and South Block. These resubmissions were intended to reflect the outcome of the Port Lands OPM settlements by proposing

development of the Site in conformity with the Tribunal-approved Port Lands OPM and the Council-endorsed Villiers Island Precinct Plan.

The resubmission proposed a total residential gross floor area of approximately 107,198 square metres and a non-residential gross floor area of approximately 11,784 square metres, resulting in a total gross floor area of 118,982 square metres and a floor space index of 7.3. 1,597 units were proposed of which 35% were 2-and-3-bedroom units. The two existing heritage buildings on Cherry Street would be retained, adaptively reused and incorporated into the overall architectural fabric of the project.

Notwithstanding the foregoing, shortly before our Client's March 2023 resubmission, on February 28, 2023, the City's Planning and Housing Committee directed City Staff to review the Villiers Island Precinct Plan with the aim of increasing permitted densities on the publicly owned lands within Villiers Island. As a result, our Client and its consultants engaged in a series of without prejudice meetings over the course of 2023 and into 2024 with City staff and Waterfront Toronto staff.

To address the concerns and feedback raised by staff during those meetings, our Client has made a number of built form modifications that are now reflected in the attached Settlement Proposal. While the Merit Hearing Plans also contain these built form modifications, as outlined below, our Client is proposing additional concessions and benefits as part of the Settlement Proposal that will not be pursued should the Merit Hearing Plans be required to proceed to a contested OLT hearing in 2025.

Settlement Proposal

Our Client's Settlement Proposal would permit the redevelopment of the Site with a total of 3 tower elements containing approximately 122,000 square metres of residential uses yielding approximately 1,870 dwelling units. The Settlement Proposal also contemplates a minimum of 4,500 square metres of non-residential uses, including ground-floor retail and two privately-owned publicly-accessible spaces (POPS). Additionally, the Settlement Proposal proposes an in-kind community benefits package of a minimum amount of residential gross floor area to be delivered as affordable rental housing. The details of these community benefits are further outlined below.

We submit that the Settlement Proposal is guided by the Villiers Island Precinct Plan objectives of (1) establishing an exceptional and accessible public realm and (2) achieving a climate-positive outcome for the proposed development and the surrounding community (e.g., through building energy efficient buildings). Our Client also acknowledges that a revised Draft Plan of Subdivision may be required to implement the Settlement Proposal if it is accepted by the City.

Community Benefits Contributions and Other Contributions

1. Affordable Rental Housing ("ARH")

Our Client will provide ARH on the Site in accordance with the following terms:

- a) The total amount of ARH will be:

- i. Five and a half percent (5.5%) of the total residential gross floor area of the proposed development provided on the Site for a 99-year term.
- b) At the election of the Owner, to be made as part of the first Site Plan Application for the Site the ARH Units will be delivered either by:
 - i. all units being located in one building to be provided in building 2A as part of the South Block phase of the development, which units shall be operated and maintained by a not-for-profit affordable housing provider, as selected by our Client in consultation with the Chief Planner or Executive Director, City Planning and the Executive Director of Housing Secretariat; or,
 - ii. the provision of the proportionate share of ARH units to be provided together with the market units on a block-by-block basis.
- c) Where the option set out in section 1(b)(i) above is selected by our Client for the delivery of ARH Units, our Client will agree to provide the City with the following in lieu of the ARH units required by the North Block:
 - i. a letter of credit in the amount of \$16 million; and,
 - ii. the registration of a section 118 restriction on the South Block,

both to be released and/or reduced upon successful delivery of the ARH Units to the satisfaction of the Chief Planner and Executive Director, City Planning. The encumbrance shall also be subject to the condition that the City will consent to the registration of deposit surety bonds and any construction lending for the Block 2 development as reasonably requested by our Client. For clarity, the requirements set out in section 1(c) only apply where the ARH obligations for the North Block are proposed to be delivered as part of the South Block. This section does not apply where the ARH units are delivered lock step with the development (i.e. where option 1(b)(ii) is selected).

For further clarity, the ARH units in the South Block will be delivered in lock step with the balance of market South Block units at which time the North Block LC (or alternative security, if applicable) would be released. Our Clients can confirm that the ARH building will be completed in advance of building 2B and in any event, the section 118 restriction will remain on the South Block lands until the ARH units are completed and ready for occupancy.

- d) Irrespective of the option selected, our Client confirms that:
 - i. the operator of the ARH units will use the City's centralized affordable rental housing access system (CARHAS) or an alternative system as may be approved to the satisfaction of the Chief Planner and Executive Director, City Planning;
 - ii. unit types and unit sizes of the ARH units will be consistent with the average size of the gross floor area of the market residential units on the same block, excluding any at-grade townhouse and/or live-work units;

- iii. ARH units will be provided as per the City's definition of affordable rental housing, where the total monthly shelter cost (i.e. gross monthly rent, inclusive of utilities for heat, hydro, hot water and water) is at or below the lesser of one times the average City of Toronto rent, by dwelling unit type, as reported annually by the Canada Mortgage and Housing Corporation, or 30% of the before tax monthly income of renter households in the City of Toronto as follows:
 - i. Studio units: one-person households at or below the 50th percentile income;
 - ii. One-bedroom units: one-person households at or below the 60th percentile income;
 - iii. Two-bedroom units: two-person households at or below the 60th percentile income; and
 - iv. Three-bedroom units: three-person households at or below the 60th percentile income;
- iv. the specific distribution and location of the ARH units will be identified through a Housing Issues Report provided at the time of Site Plan Approval for any proposed building containing ARH units;
- v. the ARH units will be provided in a contiguous group(s) of at least six (6) units, with no associated vehicular parking; and
- vi. the ARH units will satisfy one hundred percent of the 4% Community Benefit Charge requirement for this development and will be secured in an agreement pursuant to Section 37(7.1) of the *Planning Act* and registered on title in priority.

Given that the proposed provision of ARH is anticipated to exceed the statutory requirement for CBC contribution, our Client will seek to secure incentives, funding, credits and other mechanisms to facilitate the delivery of ARH that may be available at law. Our Client acknowledges that acceptance of the Settlement Proposal by City Council would not constitute a binding commitment by the City to provide municipal incentives, funding, credits or other mechanisms unless otherwise explicitly identified by the City.

2. POPS and Pedestrian Connection

The Settlement Proposal introduces new POPS on each of the North Block and the South Block. An at-grade publicly accessible north-south pedestrian connection is also proposed as part of the Settlement Proposal. This connection has been shifted eastward and re-aligned from its previously proposed location. The POPS will break up the blocks and provide for permeability in and through the area. These spaces will also fully integrate the Site with the public realm along Villiers Street, Centre Street and Commissioners Street. The POPS will be designed and secured through the Site Plan Approval process.

Built Form Modifications and Adjustments

3. Podiums/Mid-Rise Elements (North and South Blocks)

To increase daylighting (solar access) in the residential units and within the courtyards, the podium heights of the North and South Blocks have been lowered while podium heights along Commissioners Streets have been increased to respond to City Staff comments received. We submit that lowering the overall height, together with a further reduction in the street wall component of the base buildings, contributes to the creation of human-scale street edges.

4. Podium Component of Building 1A (North Block)

The podium of Building 1A has been substantially reduced in height from 8 storeys to 2 storeys behind the William McGill Building, partially in response to OPM Built Form Policy 10.4.(a). This change also responds to City Staff comments provided in 2023 suggesting a lower base building for Building 1A, as the podium has also been reduced to a single storey along Villiers Street to increase the legibility of the Bank of Montreal building.

In addition to the foregoing, the podium length of Building 1A has been decreased to create a new POPS at the south end of the North Block and to maintain the view to the entirety of the 2-storey portion of the former William McGill and Company Building from three sides. The effect of these changes is that most of the new buildings along Cherry Street are lower in scale as compared to the heritage structures. The new Building 1A podium can now be read as a series of additions 'in service of' the historic buildings as opposed to competitive additions to the streetscape.

5. Tower Component of Building 1A (North Block)

The changes to the podium of Building 1A lead to a significant decrease in overall gross floor area from the March 2023 resubmission. Accordingly, to achieve the minimum gross floor area required for project viability, a third tall building has been introduced on the northern portion of the North Block. The tower location for the new building has been carefully considered to achieve several Port Lands OPM and Villiers Island Precinct Plan objectives, such that:

- resultant additional shadows will have minimal impact on solar access to residential units;
- the tall element will have the least possible impact on solar access into the proposed north-south pedestrian connection and courtyard (POPS space); and
- by ensuring an east-west orientation, the tall element will be minimally visible (and clearly contrasting) when viewing the two heritage buildings on the Site from the west along Cherry Street or Villiers Street.

6. Building 2A (South Block)

The massing and height of Building 2A has been significantly adjusted in the Settlement Proposal to relate to the height and scale of the two heritage buildings (the former William McGill and Company and Bank of Montreal Buildings) to the north and the heritage buildings to the immediate southwest of the South Block. The south side of Building 2A has been reduced in height to a single storey to provide a sufficient separation between the heritage building to the immediate

south. Similarly, the overall base building height on the north has been reduced to 3-storeys to relate to the scale of the taller portion of the William McGill heritage building on the North Block. This modification aims to foster a more harmonious integration with the surrounding heritage structures and responds directly to the feedback provided by City Staff in December 2023.

In the March 2023 resubmission, Buildings 2A and 2B on the South Block were connected by a “bridge” component that spanned above the proposed north-south pedestrian connection. This has been eliminated in the Settlement Proposal.

7. Building 2B (South Block)

The March 2023 resubmission included larger tower floorplates between the podium and tower of Building 2B. The Settlement Proposal reduces the tower floorplate areas, resulting in a significant ‘de-bulking’ of the overall massing and a modest improvement in shadow impacts on the public realm. A similar ‘de-bulking’ approach was applied to Building 1A to achieve the same effect.

Building 2B has also been re-oriented and re-located to the west (to mid-block within the South Block) to move it out of ‘visual alignment’ with Building 1A. These relocations create the compounding benefits of eliminating tower facing conditions (where the face of one tower aligns directly with the face of its neighbour) and improving overall views both from the tower residential units and towards the towers.

8. Parking Facilities Reconfiguration

Removal of above-grade parking: The March 2023 resubmission included one level of below-grade parking and above-grade vehicular parking on both the North and South Blocks. This has been eliminated in the Settlement Proposal. The removal of the above-grade parking allows for an improved overall site layout and organization. In the Settlement Proposal, all vehicular parking will be provided within four levels of below-grade parking on the North Block.

Addition of a below-grade tunnel: Due to geotechnical and hydrogeological constraints, below-grade vehicular parking is not viable on the South Block. The Settlement Proposal therefore proposes a below-grade tunnel traversing the future Centre Street and connecting the below-grade areas between the North and South Blocks. Our Client has filed a memo prepared by its architect, in collaboration with our client’s civil and structural engineers, to provide a more detailed analysis of the rationale and necessity of the below grade tunnel. Our Client acknowledges the future encroachment within the Centre Street right-of-way for the below-grade tunnel is subject to separate approval by the City as applicable, and that acceptance of the Settlement Proposal does not constitute approval of the tunnel. The details of the tunnel will be addressed and secured through conditions of draft plan approval, wherein our Client will be required to submit sufficiently detailed engineering reports/drawings in order to demonstrate that Centre Street can adequately service the surrounding area with the proposed tunnel encroachment in accordance with the Functional Servicing Report approved as part of the Portlands Flood Protection and Enabling Infrastructure Project, as may be updated, to the satisfaction of the General Manager, Transportation Services and the Chief Engineer and Executive Director, Engineering and Construction Services.

9. Loading Facilities and Servicing

Changes have been made to the overall servicing strategy for a number of reasons, but notably, in response to comments from City Staff, to respond to changes in built form and to implement improvements recommended by our Client's technical advisors including BA Group.

For example, the conversion of Building 1A from an elongated mid-rise form to a modest tall building required a re-evaluation of the servicing areas provided for both commercial uses (primarily located within the heritage buildings) and the residential uses within the tower. As a result, pick-up, drop off and moving functions have been incorporated within Building 1A in a consolidated interior 'service bay' accessed from Villiers Street at the north face of the building. Active, animating uses have been maintained along the south and eastern facades of the building, as recommended by the City staff in its comments provided in December 2023.

Commercial and residential loading bays (including Type G loading facilities) have been consolidated within the podium of Building 1B, with the garbage room and bin storage relocated to the P1 level allowing aggregation from both Buildings 1A and 1B at a single location.

In the South Block, loading for both buildings has been consolidated into Building 2B which is accessed from the east off Foundry Street. As a result, loading, garbage collection and moving functions for Building 2A will be provided via a service corridor in the underground level of the South Block, connecting the two buildings. The garbage room for building 2A is located in the underground level, where bins from the tri-sorter will be moved east through the corridor and up the manual lift in Building 2B. Residents will also use the loading spaces in Building 2B for moving, which will also occur through the underground servicing corridor.

10. Commissioners Street Access and Widening

A previously proposed curb cut from Commissioners Street to access the South Block has been removed.

Our Clients have received confirmation from Waterfront Toronto that the Site is no longer required to facilitate a Commissioners Street widening to achieve the required right of way width of 40 metres. Waterfront Toronto staff confirmed in their May 9, 2024 email to our Client that the construction of the Commissioners Street right-of-way is complete on the north side (adjacent to the Site) and as such a conveyance for a road widening is not required. The Settlement Proposal has removed the lands reserved for a future widening and has adjusted the base building to respond to same.

11. Sustainability

The building shapes, scales, massing, locations, and orientations as shown in the Settlement Proposal have been designed to optimize energy efficiency and ensure optimal light conditions within the units. We submit that the revised design minimizes shading while maximizing sunlight exposure in alignment with Port Lands OPM Policy 12.3.1:

- Consideration has been given to carbon emissions. The simplified building geometry, along with the use of low-carbon materials which could potentially be applied to Building 2A and

the base of Building 1A to help diminish the overall carbon footprint of the proposed development.

- At the time of Site Plan Approval, the development proposal will meet the minimum requirement in the applicable Toronto Green Standards, as per Port Lands OPM, Innovation and Sustainability, Policy 12.2, while incorporating passive design approaches, adequate wall to window ratio and R-values.
- The project will be District Energy ready. Mechanical rooms on the P1 level have been identified, scaled and constructed to provide adequate facility for a connection to the Villiers Island District Energy System, at such time when it is operational. This has been done to prepare the development for its ultimate compliance with the district's net-zero carbon requirements (Port Lands OPM, Policy 12.1).

12. Heritage Alteration Permit

An application for a Heritage Alteration Permit has been filed and we understand will be considered by the Toronto Preservation Board at its meeting on June 5, 2024. The public report reflects Heritage Staff's support for the issuance of a Heritage Alteration Permit to facilitate development as contemplated by this Settlement Proposal.

13. Airport

Our client has retained an aeronautics expert who has provided an opinion respecting the proposed heights in the Settlement Proposal. Our client acknowledges the need to consult with the applicable regulatory authority in relation to the operation of the Billy Bishop Airport regarding the heights proposed for the Site. This consultation will occur with the assistance of our Client's aeronautics expert.

14. Parkland

Our client will fulfil their *Planning Act* parkland obligations by way of a cash-in-lieu payment, in accordance with the legislative rates. In the event any policy relief is required, this can be resolved in the context of the outstanding Port Lands Area Specific Policies appeals.

Implementation

15. Official Plan Amendment

We are advised by our Client's consulting team that the Settlement Proposal may present limited issues of conformity with the Port Lands OPM. Site-specific relief to policies 6.2.7, 10.8.2, 10.7.5, 10.8.4 and 9.12, may be required to facilitate the approval of a zoning by-law amendment to implement the Settlement Proposal.

We are closely monitoring the work being undertaken by the City in updating the Port Lands OPM. We understand a final report to City Council is imminent. We submit that the above-noted policy relief is best achieved through the City's forthcoming Port Lands OPM update. Should the City accept the enclosed Settlement Proposal in principle, and if following the City's update exercise, there remains issues of conformity with the Port Lands OPM, our Client reserves its right to either

appeal the outcome of the OPM update or file a private site-specific official plan amendment application. For greater clarity, any such further application or appeal would be pursued with the sole purpose of securing any remaining relief required to facilitate the Settlement Proposal and for no other purpose.

Our Client's intentions are to continue to work with the City Staff towards appropriate site-specific policy relief (if deemed necessary) to accommodate the Settlement Proposal.

16. Outstanding Port Lands OPM Appeals

As noted above, in terms of the Port Lands OPM appeals, there remains outstanding a small number of contested policies related to growth funding tools, including the City's former Section 37 (i.e. bonusing) and parkland policies, which our Client has maintained under appeal. If City Council accepts the Settlement Proposal in principle, our Clients will agree to consolidate its outstanding appeals in order to achieve a site-specific resolution of all outstanding OLT matters affecting the Site. Assuming our Client obtains any policy modifications required to implement this Settlement Proposal, and assuming the consent approval of a site-specific zoning amendment to permit the Settlement Proposal, the end result will include a comprehensive resolution of our Client's outstanding Port Lands OPM appeals.

17. Holding Provisions

Our Clients will agree to the use of a ("H") Symbol which shall be released in whole or in part upon the satisfaction of the following conditions:

- i. The owner shall provide an updated Functional Servicing Report to identify the provision of local municipal infrastructure, including sewer, water and stormwater networks to service the proposed development, to the satisfaction of the General Manager Toronto Water, and the Chief Engineer and Executive Director, Engineering and Construction Services. If required, satisfactory arrangements to secure the provision of local municipal infrastructure, including sewer, water and stormwater networks to service the proposed development, to the satisfaction of the General Manager, Toronto Water and the Chief Engineer and Executive Director, Engineering and Construction Services;
- ii. The owner shall provide an updated Transportation Impact Study to address the location, design and provision of transportation infrastructure to support the proposed development to the satisfaction of the General Manager, Transportation Services, and the Chief Planner and Executive Director, City Planning.
 - a. If required, satisfactory arrangements shall be secured for the provision of transportation infrastructure to support the proposed development to the satisfaction of the General Manager, Transportation Services, and the Chief Planner and Executive Director, City Planning; and
- iii. The owner shall provide a noise study and air quality study and detailed design plan in support of a site plan application for any sensitive land use which demonstrates that appropriate noise and/or air quality mitigation works will be implemented. The noise study and an air quality study shall be submitted by the owner to the City of Toronto. The City of

Toronto will undertake a peer review of such studies at the owner's expense. The owner may be requested to provide a copy to industrial operators within the Port Lands.

- a. That the requirements of Ministry of Environment, Conservation and Parks regulation and guidelines, including NPC-300, in accordance with the July 11, 2022 Ontario Land Tribunal Decision, have been satisfactorily addressed; and,
 - b. That the requirements of any agreements with the City and third parties, and the July 11, 2022 Ontario Land Tribunal Decision respecting noise and air quality mitigation have been satisfactorily addressed;
- iv. The owner has provided written confirmation from the Toronto and Region Conservation Authority that:
 - a. the Port Lands flood protection infrastructure is complete and functional, and the Special Policy Area designation is removed: or;
 - b. that the requirements of the Protocol Regarding the Lower Don Specific Policy Area have been satisfied.
- v. Approval by the Executive Director, Toronto Emergency Management or their designate of emergency servicing, including fire, paramedic and fire service capacity for the proposed development and specific phase; and
- vi. The Owner has entered into an agreement with the City to secure the provision of Affordable Rental Housing as reflected in this proposal, to the satisfaction of the City Solicitor.

18. Conditions to the Issuance of the OLT Final Order

Our Client and the City shall agree to request that the Tribunal approve the ZBA in principle and withholds its Final Order until such time as the parties jointly confirm that the following conditions have been fulfilled:

- i. The Zoning By-law Amendment is in a final form satisfactory to the Chief Planner and Executive Director, City Planning and the Owner which shall include the above referenced Holding conditions;
- ii. Confirmation that any OPA relief required by the Settlement Proposal has been approved and is in force and effect;
- iii. Submission of a Conservation Plan, prepared by a qualified heritage consultant that is consistent with the conservation strategy set out in the Heritage Impact Assessment for the Site, to the satisfaction of the Senior Manager, Heritage Planning;
- iv. Execution of a Heritage Easement Agreement with the City for the Site in accordance with the required Conservation Plan, to the satisfaction of the Senior Manager, Heritage

Planning, including execution of such agreement to the satisfaction of the City Solicitor;
and

- v. The owner has provided a revised Pedestrian Level Wind Study including a Wind Tunnel Study, to the satisfaction of the Chief Planner and Executive Director, City Planning.

19. Finalizing Instrument

If the enclosed Settlement Proposal is acceptable to Council, our Client's consulting team will work with City Staff to finalize the details of the implementing Zoning By-law Amendment(s) for review and approval by the OLT. Our Client would bear the responsibility of leading the necessary evidence before the OLT in support of the settlement ZBA, with the City consenting so long as the final form and content of the ZBA is to the satisfaction of the City Solicitor and the Chief Planner and Executive Director, City Planning. The City will not object to our Client filing the required draft instruments as exhibits at the Tribunal settlement hearing. Should companion official plan policy relief be needed to implement the settled ZBA, the City will agree to the OLT withholding its Final Order until the required policy relief is approved as contemplated above. Both parties shall bear their own costs in respect of the settlement.

If City Council accepts this Settlement Proposal, the City will not object to our Client requesting a one-day settlement hearing for the Appeals, likely to occur in the fall of 2024.

In support of the herein Settlement Proposal and together with this offer letter, we enclose Architectural Plans dated May 27, 2024, prepared by SvN.

Should you have any questions, please do not hesitate to contact the undersigned.

Yours truly,

AIRD & BERLIS LLP



Sidonia J. Tomasella
SJT/JCMF

cc: Patrick Harrington, Aird & Berlis LLP
Andrew Biggart, Waterfront Toronto,
Clients

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