



Kagan | Shastri
DeMelo | Winer | Park
LAWYERS | LLP

IRA T. KAGAN
Tel: 416.368.2100 Ext. 226
ikagan@ksllp.ca

File No. 21158

June 7, 2024

WITHOUT PREJUDICE

By Email

Mr. Michael Mahoney and Ms. Michelle LaFortune
City of Toronto Legal Department
55 John Street, 26th Floor, Metro Hall
Toronto, ON., M5V 3C6

Dear Mr. Mahoney and Ms. LaFortune:

**Re: Our client: Queenscorp (Royal York) Inc. (“Queenscorp”)
Respecting the lands at 2, 7 & 10 Queen Elizabeth Boulevard; 506,514, 516, 520 &
522 Royal York Road; and 3, 5 & 15 Sinclair Street (the “Subject Property”)
City of Toronto Application No.: 22 144668 WET 03 OZ
OLT Case No. OLT-23-000596**

As a result of successful OLT-led mediation of the above-noted rezoning appeal, we are pleased on behalf of our client to present the City with this offer to settle, in its entirety, the above-noted rezoning appeal. The proposed development is revised as reflected in the plans and drawings prepared by Turner Fleischer Architects dated June 4, 2024 (attached). The major revisions from the version of the development originally applied for are as follows:

- a. GFA / Density
 - i. Original: 86,602 m² (6.08 FSI)
 - ii. Revised 83,992 m² (5.9 FSI)
- b. Number of residential units and unit mix
 - i. Original: 967 (65% 1-bedroom, 30% 2-bedroom +, 5% 3-bedroom)
 - ii. Revised: 1,127 (74% 1-bedroom, 15.8% 2-bedroom +, 10.2% 3-bedroom)
- c. Vehicle parking:
 - i. Original: 1,075 spaces

Yorkville Office:
188 Avenue Road,
Toronto, ON., M5R 2J1
P. 416.368.2100 | F. 416.368.8206 | ksllp.ca

Downtown Office:
250 Yonge Street, Ste 2302
P.O. Box 65,
Toronto, ON., M5B 2L7
P. 416.368.2100 | F. 416.368.8206 | ksllp.ca

- ii. Revised: 850 spaces [two previous surface parking spaces were removed but replaced in the underground garage so the total remains 850 spaces].
- d. The quantum of affordable housing quantum has remained compliant with SASP 807 but the unit mix for the affordable housing now reflects the unit mix for the market housing.
- e. Height
 - i. Building A1: 37 Storeys ($118.25\text{m} + 6.0\text{m MPH} = 124.25\text{m}$) which is an increase of two storeys as per the discussion with City staff respecting redeployment of GFA.
 - ii. Building A2: 18 Storeys ($60.85\text{m} + 6.0\text{m MPH} = 66.85\text{m}$) which represents a height increase of one storey as per the discussion with City staff respecting redeployment of GFA.
 - iii. Building B: 10 Storeys ($34.65\text{m} + 6.0\text{m MPH} = 40.65\text{m}$) which remains constant (no height change) however the building shape was reconfigured to deal with the removal of the vehicular access originally proposed at Sinclair Street.
 - iv. Building C: 20 Storeys ($64.75\text{m} + 6.0\text{m MPH} = 70.75\text{m}$) which generally remains constant (no height change).
- f. The public park has, at City staff's request, been relocated to the south side of Sinclair Street. It has been sized to provide all the required on-site parkland dedication for both Parcels 1 & 2.
- g. The vehicle access to Sinclair Street has, at City staff's request, been eliminated.
- h. The minimum $1,000\text{ m}^2$ of General Employment non-residential GFA required by SASP 807 has been equally divided between Buildings B and C.
- i. The proposed phasing is as follows, per the attached Phasing Plan:
 - i. Phase 1 - Building B (which includes a minimum of 500 m^2 of General Employment uses)
 - ii. Phase 2 - Building A (both towers including a minimum of $5,000\text{ m}^2$ of Core Employment uses)
 - iii. Phase 3 – Building C (which includes a minimum of 500 m^2 of General Employment uses)

- j. A 0.39m road widening in front of 520 and 522 Royal York Road, as confirmed by City staff, will be dedicated to the City.
- k. The midblock pedestrian connection to Sinclair Road will be secured as public access through the site plan approval process.
- l. The height of the Midrise Building B falls within the applicable angular plane as measured from 523 Royal York Road and 72 Mendota Road, as requested by City staff.

The terms of the settlement offer are as follows:

1. Our client will seek approval from the Ontario Land Tribunal (“OLT” or “Tribunal”) of the revised development as described above.
2. City staff requested a Land use Compatibility/Mitigation Addendum to establish the list of non-residential uses that are appropriate for the development. That study is attached for the City’s review. Based on the results of that review, the list of non-residential uses permitted in the attached draft zoning by-law amendment can be revised to address City concerns and our client will work with City staff on this.
3. With respect to the on-site public park, the City requires a Record of Site Condition (“RSC”). Our client undertakes to pursue it diligently as it is working on the ESA II. Unfortunately, the timing of issuance of it is beyond our client’s control. Our client will endeavour to convey parkland prior to issuance of the first above-grade building permit in accordance with the requirements of the City of Toronto Municipal Code. If our client has diligently pursued obtaining the RSC and the RSC has not been issued prior to our client seeking issuance of the first above-grade building permit for the development, City staff will work with our client to provide flexibility on the timing of the parkland conveyance and to ensure that parkland is conveyed once the RSC is issued.
4. Once our client successfully conveys the parkland to the City, the City will agree to enter into an agreement with our client to allow it to utilize the conveyed parkland parcel as a construction staging area until the completion of the project. The City may require that our client sign an agreement(s) as a condition of the use of such land.
5. Respecting the delivery of the non-residential uses required by SASP #807, the first phase of development (Building B) will contain a minimum of 500m² of General Employment non-residential GFA whereas the original proposal did not include any non-residential GFA in Building B. The required minimum 5,000m² of Core Employment non-residential GFA will be provided in conjunction with the construction of Buildings A1 and A2. The remaining 500m² of General Employment non-residential GFA will be provided in Building C.
6. Respecting the delivery of affordable housing required by SASP #807, all the affordable housing units required for Parcel 1 (being Buildings A & B) will be provided in Building A1 and/or A2 and will not be required to be provided in Building B (being the first phase of development). The intention is for all the affordable housing units for Parcel 1 to be

contained in a single building to allow for easier administration. The affordable housing units required for Parcel 2 (being Building C) may, at our client's sole discretion, be provided in Building A1 or A2 (and thus possibly in advance of the construction of Building C) or in Building C. Our client will be required to sign an agreement to secure all the affordable housing units before construction of any building commences and so the details of the foregoing will be set out in that agreement. The attached plans also show the proposed location of the affordable housing units (in brighter yellow on the floor plans) but this is merely conceptual at this stage. The final location of the units within the buildings will be determined by our client at a later stage.

7. There are two residential leases active on the property known municipally as 506 Royal York Road (being Parcel 2, Building C). If these units are still rented and occupied at the time a building permit for the redevelopment of Parcel 2 is applied for, then a tenant assistance package will be provided.
8. Respecting the core employment building, the entrance location will be determined through the site plan approval process. My client commits to ensuring that such entrance will be safe and convenient.
9. Our client has applied to purchase the public laneway which runs north from Queen Elizabeth Boulevard into our client's lands. The laneway does not serve any external lands. The City will process that request in accordance with its practice and procedure.
10. At the Tribunal hearing the parties will jointly request that the Tribunal allow the Appeal, in part, and approve in principle the draft zoning by-law amendment ("ZBLA"). The OLT will be requested to withhold its Order pending confirmation from the parties that the form and content of the ZBLA is satisfactory and pending confirmation of receipt of an updated Functional Servicing Report, updated Wind Study, updated Noise Study and updated Transportation Impact Statement, all to the satisfaction of the City.
11. Queenscorp will lead oral evidence in support of the settlement at the OLT hearing or in advance through affidavit evidence should that be preferred or requested by the Tribunal. The City may choose to lead evidence in support of the settlement but is not required to do so; and
12. The parties will bear their own costs throughout.

Included with this settlement offer are the following, all of which can be downloaded using this link [enclos to settlement offer \(final\)](#):

1. Architectural settlement plans including the phasing plan.
2. Shadow Study.
3. Landscape Concept Plan.
4. TGS Statistics and Checklist.
5. Compatibility Mitigation Addendum.
6. Air Quality Addendum, and
7. Draft Zoning By-law Amendment

Should this offer be accepted by the City, I propose to advise the Tribunal and Jeff Russo (being the only participant to the hearing scheduled to commence on August 6, 2024) of this settlement and request that the Tribunal schedule a half-day settlement hearing.

We thank the City for its consideration of this settlement offer, are pleased to answer any questions you might have, and look forward to the City's response.

Yours very truly,

A handwritten signature in cursive script that reads "Ira Kagan".

Ira T. Kagan
Enclos. [see the list above]

cc. Client and development team

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