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May 1, 2026

Our File No.: 252873

WITHOUT PREJUDICE

BY EMAIL (Kasia.Czajkowski@toronto.ca)

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

Attention: Kasia Czajkowski, Solicitor, Legal Service Division

Dear Ms. Czajkowski:

**Re: 2912-2926 Sheppard Avenue East, Scarborough, ON
City of Toronto File No. 25 147607 ESC 22 OZ
OLT Case Nos. OLT-25-000830/OLT-25-000
Without Prejudice Settlement Offer**

We are solicitors for HOF 2914 Sheppard Ave LP (our “**Client**” or the “**Owner**”), who is the owner of the properties known municipally in the City of Toronto as 2912-2926 Sheppard Avenue East (the “**Property**”). On June 23, 2025, our Client submitted to the City of Toronto (the “**City**”) Official Plan and Zoning-By-law Amendment applications for the Property to permit the construction of a 50-storey mixed use building inclusive of a 6-storey base podium (the “**Originally Proposed Development**”). City Council’s failure to make a decision was appealed to the Ontario Land Tribunal (the “**OLT**”) on October 23, 2025. The OLT has scheduled a nine-day hearing for this appeal, which is to commence on October 20, 2026. As set out further below, we are writing on behalf of our Client to present a without prejudice settlement offer in respect of the above-noted matter, which should be considered as open for acceptance until the conclusion of the City Council meeting scheduled to commence on **May 20, 2026**.

As you know, our client engaged in without prejudice mediation with City staff regarding the redevelopment proposal for the Property. These discussions resulted in a revised set of plans, prepared by Architects Alliance dated April 17, 2026, which are attached to this letter as Schedule “A” (the “**Revised Development**”).

The Revised Development differs from the Originally Proposed Development in important ways that address the City’s concerns. Here is a summary of the important revisions:

Issue	Originally Proposed Development	Revised Development
Maximum Tower Height	50-Storeys, inclusive of 6-storey podium. 157.0 metres, excluding mechanical penthouse of 7.0 metres	46-Storeys , inclusive of 6-storey podium. 145.50 metres , excluding mechanical penthouse of 5.0 metres
Tower Floor Plate	850 square metres (gross construction area)	750 square metres (gross floor area)
Minimum Front Yard Setback	1.4 metres	5.0 metres , consistent with Policy 5.3(a) of the Consumers Next Secondary Plan
Minimum Rear Yard Setback	1.4 metres, at Grade, on floors 2 -6 it is 5.5 metres, on floors 7 – 46, it is 11.8 metres	1.7 metres, at Grade on floors 2-6, it is 5.5 metres, on floor 7-46, it is 13.2 metres

The Revised Development also introduces a minimum below-grade setback of 1.2 metres of depth above the parking slab to allow for planting of trees and vegetation.

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 and official plan amendment.
2. Key aspects of the Revised Plans include:
 - a. The overall height of the proposed building is now 46 storeys with a rooftop mechanical penthouse (145.5 metres plus a 5.0 metre MPH);
 - b. The base building height of the proposed building is 6 storeys, with a maximum height of 23.5 metres. The base building contains an architectural feature that frames the south and north façades, and acts as a screen to provide privacy on the east and west side of the podium. The owner will work through the rezoning process to write this architectural feature into the zoning by-law amendment(s);
 - c. The tower floor plate of the proposed building will have a maximum gross floor area of 750 square metres. The owner will continue to work through the rezoning process to minimize the gross construction area;

- d. The overall built form has been adjusted in accordance with the Revised Plans to achieve increased setbacks and stepbacks, including a minimum 5.0 metre front base building setback at-grade, and tower setbacks of minimum 17.9 metres on the east, minimum 14.3 metres on the west, minimum 12.7 metres on the south and minimum 13.2 metres on the north¹;
 - e. A minimum 1.2 metre below grade setback will be provided between top of slab of the underground and grade;
 - f. A minimum of 258 square metres of non-residential gross floor area will be provided in the building at grade, with a minimum floor to floor height of 8 metres;
 - g. At least 30% of the residential units will be two bedroom units, with 25% of those being a minimum size of 87 square metres, and at least 10% of the residential units will be 3 bedroom units, with 25% of those being a minimum size of 100 square metres; and
 - h. The proposed indoor and outdoor amenity space will meet the provisions of City-wide Zoning By-law 569-2013.
3. A good faith commitment to work with the City to pursue a mutually agreeable in-kind community benefit contribution which may include but will not be limited to affordable rental housing.

This proposal delivers much needed housing, improves the public realm, and delivers new connectivity for the community. We hope that City staff and City Council receive this proposal well.

Our client agrees that, in the event City Council accepts this without prejudice settlement offer, the final order of the OLT would be withheld, subject to the following conditions:

- a. The final form and content of the Official Plan Amendment and Zoning By-Law Amendment is to the satisfaction of the Executive Director, Development Review, and the City Solicitor;
- b. The Owner has, at its sole cost and expense:
 - a. Submitted a Functional Servicing and Stormwater Management Report, Hydrogeological Report, Hydrogeological Review summary, and a Servicing Report Groundwater Summary to demonstrate that the existing municipal

¹ The building is aligned with the south property line. It is noted that the property lines are not square in geometry or dimension. As a result, the linear dimensions along either side of the Revised Plans are slightly different.

Infrastructure, and any required improvements to it, has adequate capacity and supply to accommodate the development of the lands or required improvements to them to the satisfaction of the Director, Engineering Review, Development Review;

- b. Secured the design, construction, and provision of financial securities for any new municipal infrastructure, or any upgrades or required improvements to the existing municipal infrastructure identified in the accepted Engineering Reports, to support the development, in a financial secured agreement, all to the satisfaction of the Director, Engineering Review, Development Review;
- c. Submitted a Transportation Impact Study to the satisfaction of the Director, Engineering Review;
- d. Submitted a Pedestrian Level Wind Study to the satisfaction of the Executive Director, Development Review;
- e. Submitted a revised Noise and Vibration Study, and completed a peer review by a third-party consultant, to the satisfaction of the Executive Director, Development Review;
- f. Completed a peer review of the Compatibility/Mitigation Study by a third-party consultant, to the satisfaction of the Executive Director, Development Review; and
- g. Met the Toronto Green Standard requirements to the satisfaction of the Executive Director, Development Review.

As noted above, this without prejudice settlement offer will remain open until the end of the City Council meeting scheduled to commence on **May 20, 2026**, at which point it should be considered as withdrawn if not accepted by City Council. If the settlement is accepted by City Council, the Owner consents to the public release of this letter and the Revised Plans.

Our Client greatly appreciates the hard work of City staff that has enabled the presentation of this without prejudice settlement offer to City Council.

Yours truly,

Goodmans LLP



Rodney Gill
RJG/

Schedule "A"

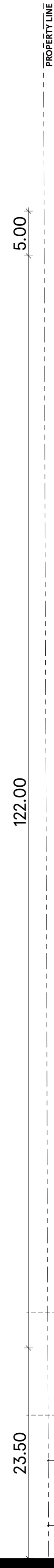


Elevation First 16m Above Grade						
	North	South	East	West	Total (m2)	Total (%)
Glazing Area (m ²)	332.6	478.9	619.03	911	2341.53	100%
Untreated Area (m ²)					0	
Treated Area (m ²)	332.6	478.9	619.03	911	2341.53	100%
Visual Markers (m ²)					0	
Non-reflective glass (m ²)					0	
Shaded (m ²)					0	

Elevation First 4m Above Rooftop Vegetation*						
	North (Floor 7)	South (Floor 7)	East (Floor 7)	West (Floor 7)	Total (m2)	Total (%)
Glazing Area (m ²)	93.2	93.2	218.8	218.8	624	100%
Untreated Area (m ²)					0	
Treated Area (m ²)	93.2	93.2	218.8	218.8	624	100%
Visual Markers (m ²)					0	
Non-reflective glass (m ²)					0	
Shaded (m ²)					0	

* Include this section only when applicable and provide relevant floor numbers for reference

ROOF +150.50
 MPH +145.50
 L46 +141.90
 L45 +138.95
 L44 +136.00
 L43 +133.05
 L42 +130.10
 L41 +127.15
 L40 +123.90
 L39 +120.95
 L38 +118.00
 L37 +115.05
 L36 +112.10
 L35 +109.15
 L34 +106.20
 L33 +103.25
 L32 +100.30
 L31 +97.35
 L30 +94.40
 L29 +91.15
 L28 +88.20
 L27 +85.25
 L26 +82.30
 L25 +79.35
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 L23 +73.45
 L22 +70.20
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 L20 +64.30
 L19 +61.35
 L18 +58.10
 L17 +55.15
 L16 +52.20
 L15 +49.25
 L14 +46.30
 L15 +43.35
 L12 +40.40
 L11 +37.45
 L10 +34.50
 L9 +31.55
 L8 - TYP. FLOOR +28.60
 L7 +23.50
 L6 +19.80
 L5 +16.85
 L4 +13.90
 L3 +10.95
 L2 +8.00
 GROUND FLOOR ±0.00



02 NORTH ELEVATION
 SCALE: 1:350

ROOF +150.50
 MPH +145.50
 L46 +141.90
 L45 +138.95
 L44 +136.00
 L43 +133.05
 L42 +130.10
 L41 +127.15
 L40 +123.90
 L39 +120.95
 L38 +118.00
 L37 +115.05
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 L11 +37.45
 L10 +34.50
 L9 +31.55
 L8 - TYP. FLOOR +28.60
 L7 +23.50
 L6 +19.80
 L5 +16.85
 L4 +13.90
 L3 +10.95
 L2 +8.00
 GROUND FLOOR ±0.00

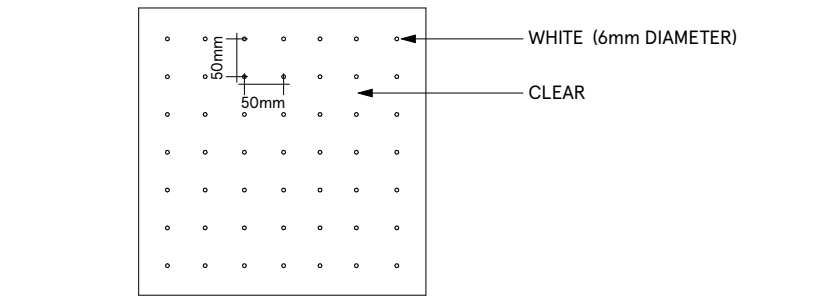


01 EAST ELEVATION
 SCALE: 1:350

- Copyright of this drawing is reserved by the Architect. The drawing and all associated documents are an instrument of service by the Architect. The drawing and the information contained therein may not be reproduced in whole or in part without prior written permission of the Architect.
- These Contract Documents are the property of the Architect. The Architect bears no responsibility for the interpretation of these documents by the Contractor. Upon written application, the Architect will provide written/graphic clarification or supplementary information regarding the intent of the Contract Documents. The Architect will review Shop Drawings submitted by the Contractor for design conformance only.
- Drawings are not to be scaled for construction. The Contractor is to verify all existing conditions and dimensions required to perform the work and report any discrepancies with the Contract Documents to the Architect before commencing any work.
- Positions of exposed finished mechanical or electrical devices, fittings, and fixtures are indicated on architectural drawings. The locations shown on the architectural drawings govern over the Mechanical and Electrical Drawings. Those items not clearly located will be located as directed by the Architect.
- These drawings are not to be used for construction unless noted below as "Issuance: For Construction"
- All work is to be carried out in conformance with the Code and Bylaws of the authorities having jurisdiction.
- The Architect of these plans and specifications gives no warranty or representation to any party about the constructability of the building(s) represented by them. All contractors or subcontractors must satisfy themselves when bidding and at all times ensure that they can properly construct the work represented by these plans.
- Geodetic Elevations provided in these drawings are measured in accordance with the Canadian Geodetic Vertical Datum (CGVD2013).

No	Issued For	Date
01	REZONING APPLICATION	30 April 2026

FRIT PATTERN FOR BIRD-FRIENDLY GLAZING
 (Read in conjunction with glass schedule.)
 Low-reflective glass with frit pattern of 6mm diameter dots at max. 50mm OC vertically + horizontally on no. 1 surface, per City of Toronto Migratory Bird Requirements, and acid etch bands as required.



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**2914 SHEPPARD AVE. E
 HAZELVIEW INVESTMENTS**

2914 Sheppard Avenue East
 Toronto, ON, M1T 3J4

NORTH + EAST ELEVATIONS

Scale: 1:350, 1:143
 Project No: 24036
 30 April 2026

