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May 1, 2026

Our File No.: 242075

WITHOUT PREJUDICE

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

Attention: Daniel Elmadany and Sarah Barnett

Dear Sirs/Mesdames:

**Re: Lead Case No. OLT-25-000270 – Without Prejudice Settlement Offer
1149 & 1153 Queen Street West, Zoning By-law Amendment**

We are solicitors for 1153 Queen West Holdings Inc. in respect of the properties known municipally in the City of Toronto (the “City”) as 1149-1153 Queen Street West (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 May 20, 2026, unless otherwise indicated.

Our client has engaged in without prejudice discussions with City staff regarding the redevelopment proposal for the Lands. These discussions have resulted in the preparation of a revised set of plans, prepared by Turner Fleischer, 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, which is being presented to City Council on a without prejudice basis.

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. Key aspects of the Revised Plans include:
 - a. the proposed height is 27-storeys (94.45 metres, exclusive of the mechanical penthouse), which is consistent with the height approved by the Ontario Land Tribunal for the property to the east;
 - b. the tower setbacks have been revised to achieve an east setback of 15.13 metres from Abell Street, a tower setback of 7.5 metres from the south property line, and

- a west setback of 10.0 metres, as shown on the Revised Plans, with a resulting tower floor plate of 912.1 square metres;
- c. the tower will also provide a 7.26 metre setback from the property line along Queen Street West;
 - d. the podium includes the heights, setbacks and stepbacks as shown on the Revised Plans, including a terraced podium along Queen Street West and Abell Street, and in particular, the podium height has been reduced to 14.1 metres;
 - e. no projecting balconies on the west elevation of the tower with permission for Juliet balconies;
 - f. the implementing zoning by-law will secure a minimum of 35% of the units as 3 bedroom units or 2 bedroom units, comprising of a minimum of 10% of the units as 3-bedroom units and 20% of the units as 2-bedroom units;
 - g. in accordance with the Revised Plans, the implementing zoning by-law will secure a minimum amount of amenity space at a ratio of 2.77 square metres per unit, of which a minimum of 1.7 square metres per unit must be provided as indoor amenity space;
 - h. a 6.0 metre building face to curb distance along Queen Street West and a 7.36 metre or greater building face to curb distance along the Abell Street frontage due to the proposed curb bump out; and,
 - i. a recessed area on the ground floor is provided at the northeast corner of Abell Street and Queen Street West measured at approximately 4.24 metres to the east property line and 10.06 metre to the north property line, with our client's commitment to continue working with City staff to explore opportunities for seating within this space.
2. Our client agrees that, in the event City Council accepts this without prejudice settlement offer, should the Tribunal approve the settlement proposal, the final order of the Ontario Land Tribunal would be withheld, pending completion of the following pre-conditions:
- the final form and content of the draft zoning by-law amendment is to the satisfaction of the Executive Director, Development Review and the City Solicitor;
 - the owner has submitted all required Engineering Reports to the satisfaction of the Director, Engineering Review, in consultation with the General Manager, Toronto Water;

- the owner has secured the design and provided financial securities in respect of 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 Director, Engineering Review and the General Manager, Toronto Water, should it be determined that improvements or upgrades are required to support the development, according to the Engineering Reports accepted by the Director, Engineering Review and Construction Services and the General Manager, Toronto Water;
- the owner has ensured that implementation of the accepted Engineering Reports does not require changes to the proposed amending By-law or that any required changes have been made to the proposed amending By-law to the satisfaction of the Executive Director, Development Review, 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;
- the owner has addressed all outstanding issues raised in the Engineering Review Memorandum dated January 6, 2025, as they may be amended, as they relate to the Zoning By-law Amendment application to the satisfaction of the General Manager, Transportation Services and of the Director, Engineering Review; and,
- City Council has approved Rental Housing Demolition Application (file No. 24 238689 STE 09 RH) 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 dwelling units and the owner has entered into, and registered on title to the lands, an agreement pursuant to Section 111 of the City of Toronto Act, 2006, to the satisfaction of the Chief Planner and Executive Director, City Planning Division and the City Solicitor, securing all rental housing related matters, including:
 - 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.

3. Our client agrees that, upon obtaining an oral decision or written decision of the Tribunal approving the revised development, the Owner's Solicitor shall confirm resolution of their appeal of the West Queen West Heritage Conservation District and identify the approval by the Tribunal in the Appendix pertaining to transition allowing the final order in the Tribunal matter relating to the West Queen West Heritage Conservation District Plan to issue

Should City Council accept the settlement offer, our client undertakes to request a settlement hearing before the Tribunal within approximately three (3) months of Council's support of the revised development.

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, 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/

1408-5774-4415