



Barristers & Solicitors
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, Ontario M5H 2S7
Telephone: 416.979.2211
Facsimile: 416.979.1234
goodmans.ca

Direct Line: 416.597.4299
dbronskill@goodmans.ca

June 10, 2026

Our File No.: 222873

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-23-000700 – Without Prejudice Settlement Offer
396-398 Church Street, 50 Gerrard Street East, 73-77 McGill Street
Official Plan Amendment and Zoning By-law Amendment Applications**

We are solicitors for 396 Church LP in respect of the properties known municipally in the City of Toronto (the “City”) as 396-398 Church Street, 50 Gerrard Street East and 73-77 McGill Street (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 June 24, 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 Arcadis, 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.

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 Official Plan and Zoning By-law Amendment(s). Key aspects of the Revised Plans, related to the Zoning By-law Amendment, include:
 - a) The height of the tower has been reduced from 43-storeys to 35-storeys, in part as a result of the Minister’s Zoning Order in Ontario Regulation 10/24. The overall building height, inclusive of all projections and mechanical equipment/penthouses is 111.3 metres. The

final precise height is subject to a satisfactory Aeronautical Report, as set out in the conditions below.

- b) The tower setbacks are now 10.0 metres from the west property line and 11.2 metres from the centreline of McGill Street and 6.3 metres from the south property line (as part of a strata severance), resulting in a typical tower floor plate of 756.2 square metres.
 - c) A strata severance involving the property to the south would enable a 6.3 metre tower cantilever, as shown on the Revised Plans..
 - d) The podium has been redesigned to enhance compatibility with and respond to the heights of adjacent buildings.
 - e) The proposed access has been revised to enable the use of the property to the south of the Lands to enable ingress/egress from Church Street and limit the use of McGill Street only to egress for service/loading vehicles, with no service/loading vehicles accessing the Lands from McGill Street.
 - f) The proposed unit mix include a minimum of 10% of the units as 3-bedroom units, 15% of the units as 2-bedroom units and an additional 15% of the units as a combination of 2-bedroom and 3-bedroom units, or units that can be converted to 2 and 3-bedroom units through the use of accessible or adaptable design measures.
 - g) No minimum vehicle parking is required for residents, with three (3) visitor vehicle spaces (with a minimum of one (1) accessible parking space) secured on the surface area of 50 Gerrard Street East or off-site in accordance with zoning requirements to be included in the implementing zoning by-law.
 - h) the implementing zoning by-law will secure a minimum amount of combined indoor and outdoor amenity space at a ratio of 4.0 square metres per unit (increased from the previous plans), including over forty (40) square metres of outdoor amenity space adjacent to the indoor amenity space on the level-5 rooftop.
 - i) Bicycle parking is being provided in accordance with the City-wide Zoning By-law 569-2013, including the provision of short term and long term bicycle parking spaces.
- 2) The proposed Official Plan Amendment will re-designate 75 & 77 McGill Street from Neighbourhoods to *Mixed Use Areas*, and retain 73 McGill Street as *Neighbourhoods*. An amendment creating a Chapter 7 Site and Area Specific Policy for the lands would also permit the mixed use building on the combined Lands.
- 3) Our client agrees that, in the event City Council accepts this without prejudice settlement offer, and the Ontario Land Tribunal allows the appeals, to request the Ontario Land Tribunal to

withhold its Order until such time as the Ontario Land Tribunal has been advised by the City Solicitor that:

- a) the final form and content of the draft Official Plan Amendment to permit the proposed development in the Zoning By-law Amendment, including re-designation of a portion of the lands from *Neighbourhoods* to *Mixed Use Areas*, satisfactory to the Executive Director, Development Review and the City Solicitor;
- b) the final form and content of the draft Zoning By-law Amendment is satisfactory to the Executive Director, Development Review and the City Solicitor;
- c) the Owner has, at its sole cost and expense:
 - i) submitted a revised Servicing Report and Stormwater Management Report, Hydrogeological Review, including the Foundation Drainage Report ("**Engineering Reports**") to the satisfaction of the Director, Engineering Review;
 - ii) 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, 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;
 - iii) 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, 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;
 - iv) submitted an updated Transportation Impact Study or Addendum to reflect revisions to site circulation, loading, parking and access for the development, to the satisfaction of the General Manager, Transportation Services;
 - v) submitted an updated Soil Volume Plan (including daylighting information), Landscape Plan and associated section drawings identifying appropriate clearance from existing utilities satisfactory to the Chief Planner and Executive Director, City Planning and the Executive Director, Climate, and Forestry;
 - vi) submitted an updated Pedestrian Level Wind Study, and thereafter implemented any necessary mitigation measures in the Zoning By-law Amendment, to the satisfaction to the Chief Planner and Executive Director, City Planning;

- vii) submitted an updated Aeronautical Report confirming the constructability of the proposed mixed use development to the requested overall building height (inclusive of all requested projections and mechanical equipment) and ensure the overall building height and projections conform to applicable requirements, including Zoning By-law 1432-2017 and Zoning Order 10/24, as these instruments may be amended and/or replaced, such that sufficient clearance of the flight path is provided on rooftops, including during construction, to the satisfaction to the Executive Director, Development Review; and,
 - viii) any outstanding rental housing matters be addressed as a result of the revised development to the satisfaction of the Chief Planner and Executive Director, City Planning.
- 4) Our client has separately submitted a consent to sever application for the Lands, with Application Number 26 161285S TE13 CO, to establish a stratified severance above a portion of 50 Gerrard Street East to support the development of the remainder of the Lands. Our client will work with City Staff on establishing the appropriate severance line horizontally and vertically and will ensure appropriate conditions to obtain necessary easements, including those needed for vehicular, pedestrian, loading and other related access from 50 Gerrard Street East to, and through, the Church Street lands so that the anticipated severance can align with the zoning boundaries to be established. For clarity, the Zoning By-law Amendment will include all the Lands, including 50 Gerrard Street East, provided for maintenance of existing permissions for the retained buildings and new permissions for the new development on the 392-398 Church Street/73-77 McGill Street properties. This ensures that, despite any proposed severance, access will continue to be taken from Gerrard Street and will not require or rely on the McGill Street loop from Church Street through the McGill Granby Neighbourhood, other than to exit from the lands onto McGill Street headed east to Church Street.
- 5) Our client understands that the City Solicitor is not seeking direction from Council with respect to the Site Plan Control application as this matter is delegated to the Executive Director, Development Review and their designates. Our Client agrees to address the following matters as part of the Site Plan Control application:
- a) the Owner shall submit a Crane and Construction Structures Plan, to the satisfaction of the Executive Director, Development Review, in consultation with St. Michael's Hospital, demonstrating that any person, equipment or structure use in conjunction with the construction of the development will conform to applicable requirements, including Zoning By-law 1432-2017 and Zoning Order 10/24, as these instruments may be amended and/or replaced;

- b) the Owner shall demonstrate that the Owner has entered into an agreement with St. Michael's Hospital to secure compliance with the Crane and Construction Structures Plan; and,
- c) the Owner shall submit an Obstacle Marking and Lighting Plan to St. Michael's Hospital for review and approval, and satisfactory to Executive Director, Development Review.

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. Should the Tribunal approve the revised development, in principle, within six (6) months of Council's acceptance of the settlement offer, our client will undertake to update its materials/information to recirculate to the City for review, comment and clearance to satisfy the conditions to allow for the issuance of the Tribunal's Final Order in a timely manner.

As noted above, this without prejudice settlement offer will remain open until the end of the City Council meeting scheduled to commence on June 24, 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/il

