

July 29, 2026

City Council
Toronto City Hall
12th fl. W., 100 Queen St. W.
Toronto ON M5H 2N2

Attention: John D. Elvidge, City Clerk

Re: Comments on Item 2026.MM43.75 – Ensuring Due Diligence on Data Centres in Scarborough Southwest – by Councillor Parthi Kandavel, Seconded by Councillor Dianne Saxe

On behalf of STACK Infrastructure Inc. (“STACK”), a leading global developer, owner and operator of data centers, we are writing to provide comments on the above-noted motion (the “**Motion**”), which we understand will be considered by City Council during its meeting commencing July 29, 2026.

Since 2023, STACK has been operating a key data centre at 3650 Danforth Avenue, Toronto (the “**Property**”), the site of the former Eli Lilly Canada industrial manufacturing and office campus. At present, our facilities, including this one, support cloud computing, artificial intelligence, healthcare, financial services, education, online collaboration, and other essential digital services all around the world.

The Proposed Expansion

For the past four years, STACK has been working in close collaboration with City staff in advancing an expansion of the existing data centre facility on the Property. The proposed expansion leverages an underutilized industrial site with existing permissions, creating permanent well-paid skilled positions and hundreds of construction jobs. Most significantly, this expansion plays a key role in advancing Canada’s data sovereignty objectives by ensuring that data is stored, processed, and protected on Canadian soil.

We recognize that residents and Council members have raised questions regarding noise, electricity demand, water use, and broader community impacts associated with data centres. We believe these are appropriate matters for review, which have been assessed as part of the City’s site plan approval process. We share the City’s commitment to responsible development and community engagement, and we believe the information below demonstrates that the project aligns with these shared objectives.

- ***Noise and Emergency Power***

As part of the site plan approval application for the proposed expansion, STACK submitted a comprehensive set of technical studies addressing noise and water use, among other matters—all of which have been reviewed in detail by staff as part of the City’s review process.



Based on these technical studies and engagement with City staff, the proposed expansion incorporates noise mitigation measures designed to meet or exceed applicable standards relative to sensitive receptors (e.g., low-noise cooling equipment, chiller dampening systems, and strategic equipment placement). On-site backup generators are equipped with sound attenuation enclosures and are subject to regular testing protocols to minimize community impact and ensure compliance with Provincial standards.

- ***Water and Environmental Impact***

Water use for the proposed expansion is limited to domestic purposes (e.g., flushing toilets and running sinks for employees at the site). This resource-efficient approach is possible through innovative closed-loop water cooling systems, which provide optimal cooling while minimizing municipal water use, eliminating the need for large volumes of cooling water. This design solution ensures that the project does not compete with residential water needs. Servicing requirements have been reviewed by City staff through the application process, and we are pleased that the proposal reflects STACK's commitment to environmentally responsible development.

- ***Electricity and Infrastructure***

- Electricity for the project will be supplied by Toronto Hydro. The only required upgrades are for distribution to our expansion, which is being fully funded by STACK, and not by ratepayers. STACK is dedicated to supporting its sustainability objectives through renewable energy procurement and ongoing efforts to improve facility and operational efficiency.

The proposed expansion represents a significant investment in the City's digital infrastructure and will deliver meaningful benefits to the City and the surrounding community. Located in one of North America's fastest-growing cloud hubs, the project will support cloud providers, artificial intelligence applications, data storage, and enterprise computing, among others—strengthening Toronto's position as a global technology leader.

STACK remains committed to meeting all applicable requirements and being a responsible, long-term partner in the Scarborough Southwest community. We believe the project will contribute positively to the City's economy and digital infrastructure. The comprehensive review undertaken by City staff over the past four years, combined with the refinements made through the application process, demonstrates our shared commitment to ensuring that the proposed expansion delivers lasting benefits and responds meaningfully to concerns raised through the application process.

Thank you for your consideration of this matter. We look forward to continuing to work with the City in bringing this proposal to a timely conclusion.