

**Attachment 3: In-kind Offer Letter**

**Via Digital Delivery**

April 13, 2026

City of Toronto  
Community Planning, Toronto & East York District  
Toronto City Hall  
18th Fl. E., 100 Queen Street West  
Toronto, ON M5H 2N2

**Attn: Liliana da Silva, Senior Planner**

**Re: Proposed In-Kind Community Benefits Contribution**

***221-227 Sterling Road, Toronto***

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We are the owners of the property municipally known as 221-227 Sterling Road in the City of Toronto (the “subject site”). Further to our on-going discussions with City staff, we are pleased to provide you with this letter confirming our offer of a proposed in-kind contribution to satisfy the required Community Benefit Charge for the proposed development of the subject site.

**Background**

In May 2021, we submitted combined applications for Zoning By-law Amendment, Draft Plan of Subdivision and Rental Housing Demolition and Conversion. Subsequently, the Zoning By-law Amendment and Draft Plan of Subdivision applications were appealed to the Ontario Land Tribunal (OLT) on May 30, 2022.

On April 26, 2023, our solicitors (Overland LLP) submitted a with prejudice settlement offer to resolve the appeal. The terms of the settlement offer were set out in a letter outlining the revisions made to the proposed development and the proposed conditions of the settlement.

City Council in accepting the settlement, also directed that the appropriate City staff report back to City Council, prior to Site Plan Approval, with respect to the acceptance of facilities, services or matters as an on-site in-kind contribution, being a Community Agency Space, pursuant to subsection 37(6) of the *Planning Act*.

On October 17, 2023, an OLT hearing was held and subsequently, on November 21, 2023, the OLT issued an interim order approving the Zoning By-law Amendment application in principle subject to a number of preconditions.

Since then, we have been working with City staff to clear the OLT preconditions.

## In-Kind Community Benefits Contribution

Further to our discussions with City staff, we are writing to provide an offer of In-Kind Contribution pursuant subsection 37(6) of the *Planning Act* in which the owner will design, construct, commission, finish and convey to the City, a Community Agency Space, as part of the development, to be located in Building "A".

The proposed in-kind contribution of the Community Agency Space will be in accordance with the following terms:

- a. the Community Agency Space will be comprised of a minimum of 465 square metres of gross floor area and located on the ground floor;
- b. the Community Agency Space will be conveyed to the City prior to condominium registration of Building "A";
- c. the Community Agency Space shall be conveyed to the City in accordance with the City's Community Space Tenancy Policy and finished to Base Building condition, with the terms and specifications to be secured in the in-kind Contribution Agreement;
- d. where required, concurrent with or prior to, the conveyance of the Community Agency Space to the City, the owner and the City shall enter into, and register on title to the lands, an Easement and Cost Sharing Agreement at no cost to the City. The Agreement shall address and/or provide for the integrated support, use, operation, maintenance, repair, replacement and reconstruction of certain shared facilities within the development and/or the site, and the sharing of costs in respect thereof, that are required to support the use of, or otherwise to the owner and/or users of the Community Agency Space; and
- e. prior to the issuance of the first above grade building permit for Building "A", the owner shall provide to the City a letter of credit or surety bond to secure the Community Agency Space in an amount sufficient to guarantee 120 percent of the estimated cost of the design, construction, commissioning, finishing and handover of the Community Agency Space complying with the specifications and requirements of the In-kind Contribution Agreement;
- f. Should this in-kind contribution offer be accepted by City Council, the owner will enter into an agreement pursuant to subsection 37(7.1) of the *Planning Act* (the "In-kind Contribution Agreement"), on such terms and conditions as directed by City Council and acceptable to us, which would be registered on title to the lands under subsection 37(7.2) of the *Planning Act*; and,
- g. The value to the in-kind contribution is equal to 100 per cent of 4 per cent of the value of the land, as determined the day before the day the first building permit is issued in respect of the development.

**221 STERLING ROAD HOLDINGS INC.**

Should you have any questions or require additional information, please do not hesitate to contact the undersigned. We thank you in advance for your continued efforts on this application.

221 STERLING ROAD HOLDINGS INC.

*Barry Stern*

Per: Barry Stern  
Vice President - Development