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From: Hal Kersey [mailto:hkersey@madycorp.com]
Sent: Wednesday, July 08, 2009 12:55 AM
To: Rawlings, Alexandra
Cc: Eisenberger, Fred; Mitchell, Dave; McHattie, Brian; Bratina, Bob; Morelli, Bernie; Merulla, Sam; Collins, Chad; Jackson, Tom; Duvall, Scott; Whitehead, Terry; Clark, Brad; Pearson, Maria; Ferguson, Lloyd; Powers, Russ; Pasuta, Robert; McCarthy, Margaret; McCabe, Tim; Mallard, Paul; Robichaud, Steve; De Iulio, Peter
Subject: Niagara Region Comments, QEW and Fifty Road Commercial Development Proposal

Ms. Alexandra Rawlings

We are aware that the Region of Niagara has provided comments to the City regarding our development proposal at QEW and Fifty Road in a letter dated July 7, 2009 (copy attached) which is addressed to you. We hereby provide our comments with respect to the aforementioned letter from the Region, and we have copied the Mayor and all City Councillors so that they have these comments in advance of Thursday’s meeting of Council whereat our applications will be considered.

The Region’s letter mentions that a Hemson Report, no date provided, concludes that Hamilton has an abundant supply of designated commercial space, but does not acknowledge that the commercially designated space in Hamilton is not evenly distributed. The Tate Economic Research Retail Market Demand and Impact Study dated June 2006 for the subject lands shows that there is demand for commercial services in the area. This finding has not been challenged. All parties agree that there is a need for commercial services in the area of QEW and Fifty Road.

The Region’s letter makes several references to The Growth Plan for the Greater Golden Horse Shoe. However, the Region’s letter does not acknowledge the fact that the applications for the Penady development lands were submitted and deemed complete on October 31, 2005 which predates the coming into force of the Growth Plan. Therefore, the applications are not subject to the Growth Plan policies.

The Region’s letter references a Robin Dee peer review dated February 28, 2007, and mentions a serious concern with the expected impacts of the department store’s food oriented retail component (i.e. supermarket) on existing supermarket operations in the study area, all of which are located in Niagara municipalities. However, the Region’s letter does not mention the Tate Research report titled "Additional Supermarket Demand and Impact Analysis" dated October 2007 (copy attached) addressed their serious concern. As you will note, the attached Tate Research study of supermarket demand concludes: "it is the professional opinion of Tate Economic Research that there is sufficient market demand to warrant the development of 45,000 square foot food component of the department store on the Mady Site. In addition there is sufficient demand for an additional 35,000 square foot supermarket in the Primary Zone. Tate Economic Research does not anticipate any supermarket closures as a result of the introduction of these two supermarkets in the Study Area". Based on the attached study we see no reason for the City to adopt the recommendation of the Region to postpone the supermarket component for a minimum of 5 years and then be subject to a rezoning and require a new market demand and impact evaluation. The attached report satisfies the Region’s concern as it concludes that there is sufficient market support for a supermarket use, and it is not anticipated that any supermarkets will close as a result of this development.

It appears that the Region’s letter is a thinly veiled attempt to protect businesses in the Niagara Region to ensure that Hamilton shopping dollars continue to flow out to stores in the Region of
Niagara. Having Hamiltonians continue to patronize stores in neighbouring communities does not contribute to the economic health, vitality, and prosperity of the City of Hamilton as those jobs, realty taxes, and other benefits are lost to those neighbouring communities.

Thank you for your time and consideration.

Regards,

Hal

Harold R. Kersey, MCIP, RPP
Vice-President, Planning & Development
Mady Development Corporation
8791 Woodbine Avenue, Suite 100
Markham, ON L3R 0P4
T: 905-944-0907 ext. 116
Cell: 519-817-8733
Windsor 519-252-2500 ext. 33
email: hkersey@madycorp.com
web site: www.madycorp.com