

Dear Council,

Farhi Holding Corporation (FHC) owns and manages over 150 properties in the City of London, 108 of which are located in the downtown core. We are reaching out to formally express our disapproval of the London Downtown Business Association's (LDBA) decision to move forward with a budget request to the City of London at this time. We would like to see the LDBA function as an organization that puts their members first. Although it is important for the day to day operations and staffing obligations to proceed, we need a fundamental restructuring of the organization. The Annual General Meeting on January 22nd clearly revealed to the public that members have lost their confidence in the existing board and are completely dissatisfied with the standing governance practices. The Operating Budget was not approved and a "temporary board" sanctioned to oversee the activities of the LDBA is not in accordance with the Municipal Act. Council needs to carefully consider the legal ramifications of passing Board and Budget submissions that its membership does not support on public record. We see this as a reasonable request given recent events and their track record.

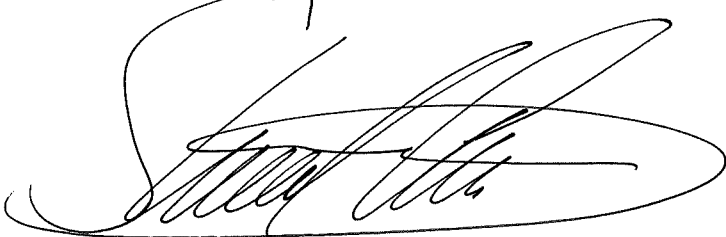
Here is a small list of concerns justifying our position:

- The obscurity of the LDBA's spending (for example, \$11,000 has been allocated to office furniture, \$18,000 for conferences and \$20,000 for the AGM)
- The cost to move the LDBA into a new premise when a better offer is on the table which saves more money for the membership
- Inadequate and weak representation of the overwhelming opposition of LDBA members towards the Bus Rapid Transit plan
- \$540,000 spent on Live, Work, Learn, and Play which resulted in no outcomes that were promised by Management.

- A million dollars of membership dues were pledged to Fanshawe College's Kingsmill project without any consultation with LDBA membership
- Their inability to effectively counteract the intimidation and harassment of potential customers and tenants by drug users in the downtown core
- The garbage-strewn downtown roads and sidewalks that remain unaddressed
- The LDBA's inability to help attract quality tenants to the 700,000 square feet of vacant office space downtown

For City Council to approve the LDBA budget at this time would contravene the will of the LDBA membership that was made evident at the January 22, 2019 AGM. Moving forward, Farhi Holding Corporation and our tenants respectfully ask that the City of London standby until the membership along with the Board of Directors undertake a thorough reworking of LDBA governance and operations, including the creation of an ad hoc committee to overhaul the current election process to ensure effective representation. In the meantime, we urge London City Councilors to uphold the rights of the LDBA membership and reject this unapproved budget until an approved one comes forward.

Sincerely,

A handwritten signature in black ink, appearing to read 'Shmuel Farhi', written over a horizontal line.

Shmuel Farhi, President

Farhi Holdings Corporation

484 Richmond St. Suite 200,

London, N6A 3E6

(519) 645-6666 FAX: (519) 645-7735

farhi@farhi.ca www.fhc.ca