

June 17, 2013

Chair and Members of the Planning and
Environment Committee
City Hall
300 Dufferin Avenue
P.O. Box 5035
London, ON N6A 4L9

Dear Sirs/Mesdames:

Re: Application by Penequity Realty Corporation, 3130 and 3260 Dingman Drive

We are the solicitors for Costco Wholesale Corporation ("Costco"), the owner and operator of a warehouse membership club located at the northwest corner of Wellington Road and Roxburgh Road (4313 Wellington Road South), immediately adjacent to the property that is the subject of the above-noted application. This warehouse membership club has been in operation since 1992 and is a busy and successful store.

Our client's transportation consultant, BA Group, has reviewed the traffic study submitted in support of the application by Penequity Realty Corporation ("Penequity") and has advised that the current design of the proposal will have a major negative impact on access and egress for the Costco site which has not been addressed in the applicant's traffic study.

The primary means of access to the Costco site is provided from three full move driveways on Roxburgh Road. The Penequity proposal contemplates the implementation of double left turning lanes at the Roxburgh/Wellington intersection to accommodate the projected high traffic volumes from the Penequity development. BA Group has advised that the road network improvements recommended by Penequity's transportation consultant, HDR, would not provide sufficient capacity, would create unacceptable weaving conditions on Roxburgh Road and are inadequate.

Also, BA has indicated that southbound left turn capacity from Costco's Roxburgh driveways would be severely restricted and the driveways would be blocked by the queues on Roxburgh Road in the dual left turn lanes. The delays would be particularly severe for the east driveway, which is Costco's most important driveway because of its proximity to the Roxburgh/Wellington intersection and the parking lot layout.

The applicant's transportation consultant, HDR, acknowledges there will be lengthy delays at Costco's east driveway and suggests that this could be addressed by the on-site redistribution of Costco's traffic to its central and western driveways. This would not be an appropriate or

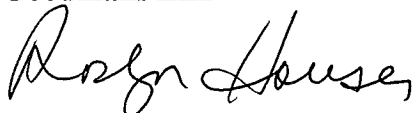
acceptable outcome for Costco because it would result in significant on-site queuing and circulation issues creating an area of high vehicular and pedestrian conflict at the main warehouse entrance.

Penequity has failed to address Policy 4.5 of the Official Plan which requires an applicant to evaluate the impact of its traffic generated by the proposal on surrounding properties as well as the coordination of access and traffic circulation with surrounding sites. Prior to a Council decision on this application, Penequity should be required to undertake more comprehensive traffic and planning analyses and to undertake a redesign of the proposal. We note that a redesign will be required in any event to reflect the OS5 zoning that has been recommended for the central portion of Penequity site in order to protect the significant woodland.

The City's Transportation and Planning Division has identified the need for additional traffic work to be undertaken by the applicant. However the recommendations in the planning report provide for approval of the development subject to a holding provision that would be lifted at the site plan approval stage when the additional traffic work is completed. In our view, it is premature for the City to enact a zoning amendment permitting a project of this scale when there are fundamental traffic issues to be resolved. We would also point out that deferring the resolution of the traffic issue to the site plan stage would deprive our client of the opportunity for meaningful participation in the process, as the Planning Act does not afford third parties with a right to appeal a site plan to the OMB.

Our client has brought its concerns to the attention of Penequity and it is our understanding that Penequity has agreed to involve Costco in the discussions with the City respecting the re-design of the proposal and the resolution of the above-noted transportation issues. In these circumstances, we trust the Committee will agree that it is premature for the zoning by-law amendment to be introduced at the Council meeting on June 25, 2013 and therefore staff recommendation (c) should not be approved.

Yours very truly,
Goodmans LLP



Roslyn Houser
RH/ss

cc: Jeff Ishida
Mark Marchisano
Margaret McCulla
Walter Kaczynski
David Johnston
Leger Xavier
Craig Smith