



14th August' 2014

His Worship Joe Fontana, Mayor
City of London, 300 Dufferin Avenue
London, Ontario – N6B 1Z2

Re: Proposed Gateway London Development

Dear Mayor Fontana,

Please find this letter in support of the proposed Gateway London Development, made by PenEquity Realty Corporation on behalf of Goal Ventures Inc. This letter provides some important economic development perspectives that may be helpful in your discussions.

As the lead economic development agency for the City of London, LEDC has been working with the PenEquity Realty Corporation team since 2010 on this application. This company has developed signature projects across Ontario, including 10 Dundas Street East (formerly Metropolis) located in downtown Toronto, Kanata Centrum in Ottawa and Entertainment and Lifestyle Centrum projects in Mississauga, Oakville and Whitby, ON. Their proposed Gateway London Development in London will bring the following economic benefits to the City of London:

- \$200 million investment in the City of London, excluding additional spin-off investment
- Creation of approximately 1,200 direct jobs upon development completion
- 681 person years of employment in direct construction jobs
- 323 person years of employment in direct material and service jobs
- Approx. \$9.4 million in development charges and over \$440,000 in building permit fees
- New property tax revenues of approx. \$2.8 million annually to the City of London

The Highway 401 & Wellington interchange is a prominent profile asset For the City of London. The Gateway London proposal provides a signature Gateway for the city that will stand out in all of south-western Ontario. The anticipated U.S and international clients will draw people and businesses to London. Trade industries already employ 35,000 people in London and this development will provide more employment opportunities. Such job creation projects are especially important for our youth population entering the workforce.

Gateway London is an excellent project that should be supported in London. We have an opportunity to highlight London as the center of economic activity in South-Western Ontario and benefit from the recent multi-million provincial investment in Highway 401 interchange improvements in London.

Sincerely,

Kapil Lakhotia, General Manager