



The Town of Niagara-On-The-Lake

MEDIA RELEASE

NIAGARA OUTLET CENTRE ONE STEP CLOSER TO REALITY

FOR IMMEDIATE RELEASE

June 6, 2012

Niagara-on-the-Lake— A proposal to build what would be one of Canada's largest open air retail outlet centres has passed another hurdle as part of the Region's planning approval process.

The *Outlet Centre at Niagara*, to be developed by real estate giant Ivanhoe' Cambridge, was given the go-ahead by the Region's Integrated Community Planning Committee today. It will now be sent to Regional Council for final approval and to Town of Niagara-on-the-Lake Council on June 18 for full ratification.

Lord Mayor Dave Eke, who spoke at the Committee, was thrilled with the outcome. "This is a significant economic venture for all of Niagara," he stated.

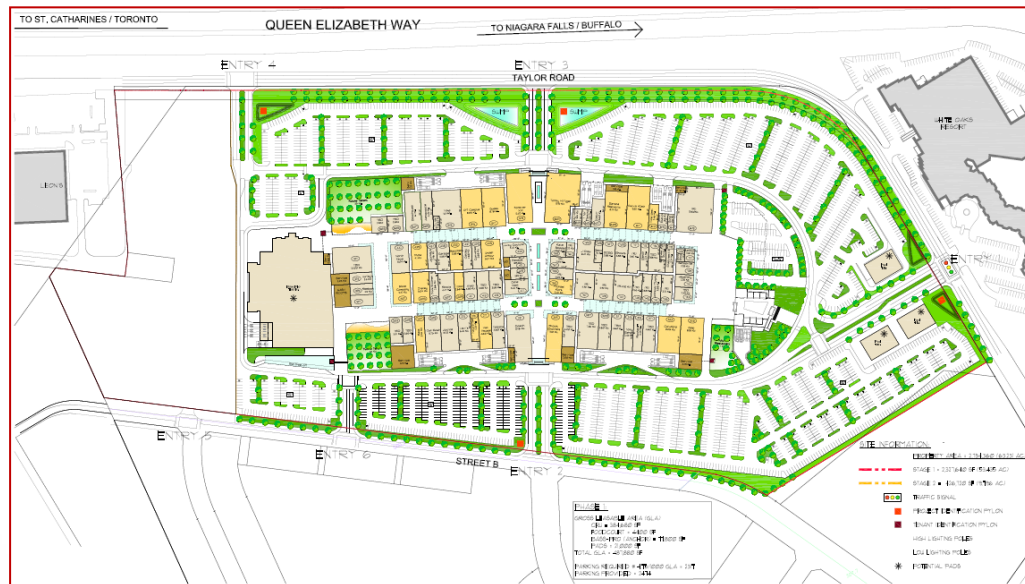
Town CAO Mike Galloway noted "Not only will this development create thousands of jobs and generate a considerable amount of tax revenue for our area; it has the potential to make the Glendale interchange at the QEW a major commercial hub for both the Southern Ontario and Northeastern U.S. markets."

The retail centre proposal still has one last hurdle to navigate. The Ministry of Transportation is currently working on the details of the revamped QEW interchange and depending on the outcome of these discussions; construction on the outlet development could start in early 2013.

The addition of 100 marquee retailers in the Glendale area could attract millions of tourists annually and help to spur visitor growth at Niagara's existing attractions.

For more information, contact
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- ✓ **A premier outlet shopping destination:**
 - » 700,000 sf. two-phase development on 63 acres; 500,000 in Phase One.
 - » Will feature approximately 100 marquee retailers, many of which will be first-to-market.
 - » Opening Spring 2014.
- ✓ **Unique from existing shopping centres in Niagara Region:**
 - » Will be the largest open air outlet centre in Canada.
 - » A destination location for value seeking customers, attracting tourists and the travelling public from Niagara Region and beyond.
 - » Will include a mix of manufacturers' and retailers' outlet stores, a large format store, restaurants and a food store/market promoting local Niagara Region products.
- ✓ **Developed by Ivanhoé Cambridge, an experienced Canadian shopping centre & outlet mall developer, and one of the ten largest global investors in real estate:**
 - » Ivanhoé Cambridge operates in 24 countries with \$35 billion in assets.



Numerous Economic Benefits for Niagara Region

- ✓ **Will create thousands of direct and indirect jobs:**
 - » Approximately 1,000 construction jobs will be created during the development phase.
 - » Over 1,500 permanent full and part time jobs will be created at the centre.
- ✓ **Will result in several major infrastructure improvements:**
 - » Interchange improvements at QEW & Glendale Avenue, Taylor Road, Glendale Avenue (south of QEW).
- ✓ **Will generate development charges, other fees and on-going property taxes for Niagara-on-the-Lake and Niagara Region:**
 - » Approximately \$7.8M will be generated in development charges and other fees during construction.
 - » Over \$5 million per year in tax revenues will be collected for both the Town and Region once open in 2015.
- ✓ **A major tourist draw that will both complement and elevate existing attractions in the region:**
 - » The centre is expected to draw about 6 to 8 million annual visitors, about half of which will be from outside Niagara Region.
- ✓ **The centre will help recapture expenditures lost to other communities in Canada and the US:**
 - » Approximately \$210 million in non-food store retail sales are currently flowing outside the region, including \$95 million at U.S. malls and \$115 million to other Canadian malls outside Niagara.



Market Indicators Support the Development

✓ **Current retail service ratios in the Primary Trade Area are reflective of a healthy and balanced market:**

- » urbanMetrics inc. (authors of the *Market Demand and Impact Analysis* study for the planned outlet centre) estimated the retail vacancy rate in the PTA to be in the 7% range, which is considered a typical industry norm.

✓ **Shopping centre service ratios for the Niagara Region are currently in-line with other jurisdictions in Southern Ontario:**

- » There is approximately 18 sf. of shopping centre space per capita in the Niagara Region, comparable to other similar regions.

✓ **Population and Income growth in Niagara Region will warrant additional retail space above and beyond The Outlet Collection development:**

- » There will be an estimated \$170 million of new market potential available for current and future GAFO* stores in Niagara Region by 2015, growing to \$375 million by 2021.



Shopping Centre Space per Capita

Area	Space per Capita
Ontario	16.0
Niagara Region	17.9
Hamilton	17.7
Waterloo Region	20.9
Essex County (Windsor)	18.0

GAFO* Market Growth (in \$ Millions)

Category	2010	2015	2021
Total GAFO	\$1,250	\$1,420	\$1,625
New Growth		\$170	\$375

*GAFO = General Merchandise, Apparel, Furnishings and Other Non-Food Stores. Source: uMi, Market Demand & Impact Analysis, Sept 12, 2011

Retail Analysts Agree: “The Project is Justified”

✓ **Comprehensive market demand and impact study indicated this centre is both warranted and justified:**

“The proposed development for an outlet centre with a retail/service commercial component of some 700,000 square feet is justified on a market basis”.

urbanMetrics inc. Market Demand and Impact Analysis, Niagara-on-the-Lake Outlet Centre, September 12, 2011

“The NOTL Outlet Centre will not create negative impacts on existing commercial facilities in Niagara-on-the-Lake, or in other municipalities within the Niagara Region, to the extent that it threatens the existing commercial life of other local area commercial retail/services centres and their planned function”.

urbanMetrics inc. Market Demand and Impact Analysis, Niagara-on-the-Lake Outlet Centre, September 12, 2011

✓ **Independent market consultant for Niagara Region (Scott Morgan) agrees with the study findings. Key points made include:**

- » There are no medium term risks to the municipality from a market standpoint.
- » The proposed project will be strongly tourist oriented.
- » The project has good potential to complement proximate major tourist attractions in the region.
- » There is no opportunity loss imposed by the proposed NOTL Outlet Centre on the **Cross-Link** and **Prudhommes sites**.

Scott Morgan, MCIP, RPP, W. Scott Morgan & Associates Ltd., February 29, 2012

