

Residents for Sustainable Development in Guelph  
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October 3, 2005

Mario Pilozzi,  
President and CEO  
Wal-Mart Canada  
1940 Argentia Rd.  
Mississauga, ON  
L5N 1P9

Re: proposed Wal-Mart development at Woolwich and Woodlawn in Guelph

Dear Mr. Pilozzi,

Thank you very much for your prompt response to my letter.

I am sorry you have declined our proposal, but I do understand that your company has invested a lot of time and political capital in this site and is reluctant to change course now. This is why for the past year or so we have been trying to find a way to resolve this impasse in a manner that would satisfy all parties involved. That included finding other uses for the 6&7 property that could benefit the entire community, as well as the developer.

In June we held a public meeting at the Evergreen Centre to see what other uses might be appropriate for the Woodlawn/Woolwich site. I have enclosed a copy of the presentations that were made that night. There are still significant development opportunities at the 6&7 site. This city is crying out for another business park, for example.

I think we can both agree that there is a significant constituency here in support of a Wal-Mart store. The issue—the only issue, from our point of view— is the location. Clearly, a Wal-Mart *anywhere* in Guelph will do well. I have no doubt your own market research confirms this.

Given the huge turn-out at all the public meetings, the vast majority of which was opposed to this location, it has been a mystery to many in Guelph why you were so focused on this site when there were other less controversial, already-zoned sites for you in this city. It didn't make sense that Wal-Mart would lose several years of sales revenue (\$50 million plus per year) and spend a small fortune on lawyers' fees unless there were other reasons. That mystery was solved on the first day of the Ontario Municipal Board hearing, last year, when 6&7's lawyer Ros Houser advised the board that Wal-Mart is in fact co-owner of 6&7 Developments.

Let us be honest, therefore. You wanted the site rezoned because you own it and expect to make a substantial return from the other tenants when it become a power centre—as it surely will, in addition to the \$50 million plus per annum sales from the till.

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If you only build one store in Guelph, people will have to drive across the city and the resulting traffic congestion and all that goes with it may not be a problem for Wal-Mart, but it will be a problem for those who live here. Any conflict with the cemeteries and the Jesuit Centre may be offset to some extent through mitigation measures. From a purely business point of view, the 6&7 site makes perfect sense. From a community point of view, it does not.

You do have other options. The visitors to the cemeteries and the users of the Jesuit Centre do not have other options. Given the popularity of your store, the traffic will be greatly increased in an area already burdened with growing congestion. Wal-Mart could take the lead here. Two regular-sized stores, as opposed to one huge store, would reduce the local traffic burden and be less damaging to the environment.

As noted in my previous letter, your main market is located in the east and west ends of Guelph, not in the far north end. While the research may have told you that people will shop at the store at the 6&7 location, that doesn't mean they wouldn't prefer it to be elsewhere, given a choice. We have suggested you open regular-sized stores in the west and east ends. Yes, you may have to pay market level rents to other developers but if you truly want to adhere to your own environmental policies, these would be the better locations. Two stores would certainly be more convenient for the bulk of your customers. I fully understand your costs would be lower with one huge store but we both know your sales will still be more than enough to justify the additional expense. I do understand that the corner site at 6&7 has a higher profile but do you honestly think people won't be able to find you? Of course not. Anyone making the 15-minute journey from Fergus will not begrudge the extra two or three minutes it would take to get to another location—especially when the Hanlon Expressway is extended to Marden. In addition, imagine the goodwill from a community that recognized your flexibility and sensitivity after all these years of delay and controversy.

You know there are close to 12,000 people who have taken the trouble to sign a petition urging you to place your store somewhere else in the city. You may not share their concerns about the compatibility or traffic issues, but surely at some point there is a marketing issue for you to consider. Why would a company deliberately upset such a large number of people in a place it hopes to do business?

It is unfortunate that our previous attempts to engage the city and your company to find a solution this impasse were ignored. I am heartened however that you have taken the trouble to write this time, and I sincerely hope you give consideration to the other sites.

Ben Bennett

c.c Eric Gillespie, Cunningham & Gillespie LLB  
Ros Houser, Goodman's  
Lois Payne, solicitor, City of Guelph.