June 30, 2021

City of Winnipeg
C/O Michael A. Jack, Deputy Chief Administrative Officer
Via E-mail

Re: Portage Place Mall

Dear Mr. Jack,

On behalf of Starlight Investments, I would like to express appreciation for your assistance as we seek to execute our intention to acquire and redevelop Portage Place Mall.

As you are aware, we are requesting that Council extend the deadline outlined in the July 2020 decision from July 23rd to October 31st, 2021.

Throughout the process of working with various levels of Government, many components of the project have changed which resulted in various improvements such as an increase of affordable housing from the original required 10% to 30%. This, along with other aspects of the project, has evolved through a considerable amount of dialogue with multiple stakeholders.

It was noted in the media that the Federal Government's delay in support was due to a dramatic change in what was being requested by Starlight. There are many moving parts and elements that must remain confidential, but the additional grant request was as due to tripling the amount of affordable housing. This was fully discussed with Federal staff in advance of the formal request, better reflects the new scope of the project and ensures all the community components remain in place with further enhancements. The request for construction financing remains consistent with a traditional, fully repayable construction CMHC loan for approximately $250 Million.

Due to the amended scope of the project and revised funding request, CMHC has not initiated a fulsome review of our application at this time. Accordingly, we cannot accommodate the City's requirement of securing financing prior to July 23rd. Our current request of Council reflects a more realistic timeline based on our most recent and ongoing discussions with the Federal government and CMHC.

We remain steadfast in our commitment to this project and what we believe will be a significant transformation in Winnipeg's Downtown. While we have been working through various financing hurdles, we have commenced our work with the City of Winnipeg to establish a clear path to commence the project quickly once the negotiations are concluded.

We have been in discussions with City of Winnipeg Administration to confirm design and development requirements. We have, to date, met with several City departments and Manitoba Hydro. These discussions have been very productive, and we are grateful to the Public Service for taking the time to assist us in understanding the detailed requirements to undertake a project of this magnitude. Typically we would not engage in detailed design or development approval

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discussions at this stage but we are looking to maintain the momentum of this project while we finalize our partnership arrangements.

Our goal is to continue with and complete these discussions as soon as possible. However, we will require some time to complete this process. For example, we will be meeting with the Urban Design Advisory Committee on July 23rd, the deadline provided to us as the original City deadline.

Again, we thank the City of Winnipeg for working so closely with us and are respectfully requesting that City Council consider an extension of Council's conditions to October 31st, 2021, so we can move forward together on this exciting inclusive project.

Yours truly,
STARLIGHT INVESTMENTS



Josh Kaufman
Vice President, Development and Construction