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Via e-mail: [sahsing@ci.milpitas.ca.gov](mailto:sahsing@ci.milpitas.ca.gov)

November 8, 2013

City of Milpitas  
455 E Calaveras Blvd.,  
Milpitas  
California, 95035

Attention: Sheldon S. Ah Sing, Senior Planner

Re: Proposed Pacific Mall Development at McCarthy Boulevard and Ranch Drive  
Review of Anticipated Benefits to Milpitas and its Population

Dear Sheldon,

As we approach Planning Commission meeting for approval of this project, we think it is appropriate to provide written communication about the benefits of the Pacific Mall project to Milpitas and its population in addition to the verbal communications we have had previously with City staff and politicians.

The mall as it stands today, has been underutilized for a number of years and is in urgent need of revitalizing. We believe that our Pacific Mall concept will give the site the necessary revitalization and accordingly generate many benefits for everyone involved.

The benefits we anticipate are based on the Torgan Group's direct experience of the development of a similarly unique Pacific Mall shopping mall concept in the Toronto area. That shopping mall has operated for over 17 years and is considered one of the highly successful malls in the Greater Toronto Area. The Greater Toronto Area consists of a population of more than 6,000,000 people. Its mix of multicultural residents and diversity is very similar to the Bay Area in California.

### **Anticipated Benefits**

#### **Investment in Milpitas**

Firstly, this development will potentially represent well over \$150 million dollars of new investment into Milpitas and create ongoing consequential benefits for the City and its community including creating a tourist destination. The benefits will include:

- Conversion of an underutilized site into an iconic project for the City and the State
- Increased Sales Tax revenues

- Attraction of visitors to Milpitas and resultant improvement of local businesses
- Many added jobs during the construction of the multi-million dollar investment
- The addition of a substantial number of permanent jobs on this site in Milpitas

#### Business Ownership Opportunity

As our drawings illustrate, the Pacific Mall concept that TMS McCarthy is proposing to build in the City of Milpitas is not a typical enclosed mall. It will be a multicultural mall made up of many small stores and where retailers from different ethnic groups of the population in the City and the Silicon Valley area will have the opportunity to start up their own business and own part of a mall with a relatively small investment. These types of entrepreneurs/business individuals may not have any other opportunity of this kind, as basically, the opportunity of opening a business in the retail market today in North America belongs typically to large organizations and chains. Our concept opens the opportunity for families to own and run a business. It can be their primary income or used to supplement one spouse's existing income by having the other spouse run a small business in our Pacific Mall concept.

In general, the public will gain the opportunity to own and run a small business. As consumers, the public will be exposed to types of merchandise that are not available in the mainstream malls as we have found that businesses in this type of mall very often carry unique merchandise.

#### Creation of Employment

The project, through the creation of many small businesses, will create many hundreds of new full time jobs in the completed project in addition to the many construction jobs created during the approximate two years of construction.

We anticipate that there will be positive secondary business impacts from people drawn to the mall.

#### General Composition of the Mall

##### Ground Level

Our concept will create approximately 400 small stores with very good exposure of their goods to shoppers. Most of the stores will have internal street corner frontage making them very attractive to owners and consumers. The common area will be approximately 45% of the building space, resulting in a comfortable open design look that will be an integral part of the experience of the complex.

##### Second Level

In addition to the continuation of unique retail stores similar to the main level, the second Level will have added features such as a food court and a large restaurant. These facilities will have exposure to the magnificent view of the valley and the mountains through large windows and the balcony.

### Heritage Town

The second level will also contain a unique area that we call “Heritage Town”. Heritage Town will be a themed market setting reminiscent of Far East markets. It will have activity resembling an open market atmosphere. The decorations of this area will typically be original with all of the symbols and handcrafted work of the Far East. Within this themed area a stage will also host ethnic shows and cultural events. Based on the experience of the mall built in Toronto, Heritage Town with its unique combination of environment, food, a themed marketplace and performance space will attract a lot of tourists as well as parents shopping with their children. Heritage Town with its unique decoration and atmosphere, will demonstrate the culture of the country of origin of many of the multicultural groups that now live in North America.

### Additional Services

In addition, the second level will also contain many other general services to the public such as medical facilities, accounting and legal offices as well as hair salons, health spa, music school etc. We anticipate that these businesses will likely also be operated by people from the local Milpitas community.

### Transportation

We are planning to provide shuttle transportation from the Milpitas BART station to the Pacific Mall as well as safe bicycle storage. A rideshare program will also be implemented. Thus workers and visitors can travel easily to the site minimizing the overloading of roads and intersections.

### Sales Tax for the City of Milpitas

We expect to attract a substantial number of visitors to enjoy the various facilities in the mall such as shopping, entertainment, eating etc. This volume of visitors and resulting commercial activity will bring the City substantial revenue in sales tax.

### Community Benefits

We believe our mall will become a preferred gathering place for the multicultural community. The mall will create a pleasant environment for individuals and families to spend their time. We anticipate that visitors to the mall will spend significant time there as the variety of different activities and shopping will be attractive to all ages and genders.

People visiting the mall will experience the atmosphere of many different seasons and holidays. This will occur by changing decorations and providing performances on the different stages for events such as Father’s Day, Mother’s Day, Halloween, Christmas, and New Year celebrations of all ethnic groups etc. It works very well in Toronto and there is no reason why it will not work even better in Milpitas, as this project is based on 17 years of operational experience from the one built in Toronto.

The mall will have cultural elements. We have found that elementary schools have organized trips for students to learn about and explore different cultures that are represented in the mall.

We anticipate that students, in particular high school students, will gather there after school as the mall will be a safe and convenient meeting place. They will spend their time enjoying lunch and doing their homework together thus relieving the worry of their working parents about the time gap between when school finishes for the children and when the parents return home from work or meet them in the mall.

Another important feature is that the mall will organize various community activities that will create opportunities for citizens to meet local, state and federal politicians. Every year, the mall in Toronto attracts various politicians who come to celebrate special occasions with the community. The main stage with its event performances will create opportunities for local citizens to meet from time to time, their local council members and mayor, neighbouring cities' council members and their mayors, members of the State and Federal Legislative bodies, Governors and even foreign ambassadors. The opportunity for mall visitors and the VIP guests to meet each other in such a multicultural place is very natural and an appropriate place for this to occur.

All the above works so well that the Mayor of Markham said publically during a recent special occasion that he could not imagine the spirit of Markham and its 310,000 residents without Pacific Mall. (Pacific Mall and the City of Markham are right on the border of the City of Toronto.)

#### Additional Benefits and Social Responsibility

On many occasions during the years, Pacific Mall has also demonstrated its contribution to communities by volunteering to host several fundraising events to help countries and people in need such as for the major earthquake in China, the tsunami tragedy in Japan, the hurricane disaster that flooded New Orleans etc. The mall with its multicultural spirit has hosted other fundraiser and education events for Fighting Cancer, AIDS, Blood Donations, Fire Fighting, Red Cross etc. Some community events such as beauty pageants, children quizzes etc. take place in the mall. These are often sponsored by stores in the mall as well as outside sponsors.

#### Tourism

We expect the project to become a major attraction for the local and multicultural residents living in the city as well as for visitors from the greater Bay Area and foreign tourism. The Silicon Valley along Highway 880 has very few attractions for locals and tourists. We believe, based on the results achieved by the Pacific Mall in the Greater Toronto Area that this center will be a major attraction to locals and tourists and will result in Milpitas being a major tourist destination. This happened to the mall near Toronto and, with the added benefits of this highway location and its local demographics, the potential is anticipated to be even greater here.

#### Hotel (Potential Transient Occupancy Tax Revenue for Milpitas)

A hotel of approximately 250 rooms is planned to be part of the overall complex. This will generate transient occupancy tax revenue for the City.

We believe that the hotel will benefit from the success of the mall and ultimately the two structures will complement each other. While the success of the mall near Toronto occurred without a hotel, we believe that in this case there is an opportunity for a hotel to be part of the complex for the reasons outlined below.

Over the last two years of our visits to the area, our experience has been that this part of the Silicon Valley does not offer visitors who stay there during the evening, and in particular during the weekend, any interesting activity after working hours. Businessmen and other workers who come to the Valley to work or be trained and educated have limited opportunities to enjoy their after-work time. Many of them leave the Silicon Valley accommodation for tourist areas. This is especially the case on weekends when they would move to areas like San Francisco, where there are plenty of opportunities to enjoy evening and other activities on weekends. We believe that guests of the hotel attached to the Pacific Mall in Milpitas will enjoy this unique mall and its entertainment which is now not available in the area.

The hotel needs to complement the attractive look of the mall as shown on the drawings. In order to succeed financially, we believe that the hotel operating in the Pacific Mall project should be complementary to the mall and therefore will have to be a 3 to 4 star category hotel. This constraint plus the requirement to create underground parking to accommodate the hotel, as well as its concrete construction, makes it very expensive to construct and therefore a unique approach must be taken. Accordingly, we plan to invest in the infrastructure needed for this hotel as we construct the mall portion of the project.

While it will be preferable to build the hotel at the same time as the mall, if economics dictate, we will need to have the ability to build it as phase II of the project when the success of the mall should generate any additional interest necessary to justify the economics of the hotel.

### Testimonials

Please see attached some of the articles and letters illustrating the success of the existing Pacific Mall:

1. In July 2000 (and many successive years), Toronto Life Magazine, one of the most popular magazines in the Greater Toronto Area for locals and tourists, chose Pacific Mall to be among the six most recommended and excellent shopping malls to visit in the Greater Toronto Area.
2. The Government of Canada presented a congratulation certificate to Pacific Mall Heritage Town on its unique contribution to the community (June 2000)
3. A Member of Parliament (House of Commons) presented a congratulation certificate on the occasion of Pacific Mall's 16<sup>th</sup> Anniversary demonstrating its unique contribution to Canada (March 2012)
4. The Toronto Star, the most widely distributed daily newspaper in the Greater Toronto Area, chose Pacific Mall among the 5 best malls in the Greater Toronto Area in 2011
5. October 2011, in a major North American conference "Shop the World Tourism Conference" that took place in Toronto, Pacific Mall was elected among the 4 most popular malls in the

Greater Toronto Area and was asked to present the reasons behind its success as an outstanding tourist attraction.

Several Federal Cabinet Ministers, the Ontario Premier and the Lieutenant Governor of Ontario have also visited and participated in some of the events hosted by the mall.

The above are a few examples of the recognition that Pacific Mall has received for its contribution to the community.

Conclusion

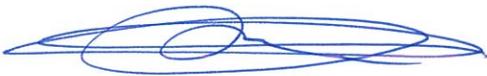
All these above activities, ideas and testimonials illustrate that the mall can be very successful in community interaction and we intend to continue this spirit in the proposed project in Milpitas.

We believe we will hear similar comments about the Pacific Mall in Milpitas after it is open and fully operational.

Please do not hesitate to contact us with any questions that you may have.

Yours truly,

TMS McCarthy Inc. as General Partner for TMS McCarthy LP

A handwritten signature in blue ink, consisting of several overlapping loops and a long horizontal stroke at the end.

Sam Cohen B.Sc. Eng. (Mech.)  
Co-Vice President

Encl. Testimonials

FREE DAY TRIPPING GUIDE INSIDE: 75 totally excellent excursions

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## city survival

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Cosmetic surgery



Rainmakers. Once you've explored the shops here, amble a few blocks west on Queens Quay to the Harbourfront Antique Market, a permanent facility of 40,000 square feet crammed with over 100 antique dealers. A flea market ambience prevails, with a rundown, mazelike layout providing space for stuff ranging from classic to kitsch. One dealer specializes in pricey French antique furniture, another in decorative arts and jewellery of the '40s, '50s and '60s; others deal in rugs, Canadian pine, art, maps and coins.

**Where:** Harbourfront, 207 Queens Quay W., 208-0510. Harbourfront Antique Market, 390 Queens Quay W., 260-2626.

**When:** year-round, winter hours M-Su 10-6, summer hours beginning May 22 M-Sa 10-9, Su 10-6; antique market, Tu-Su 10-6.

diminutive stock of works. Most of the 35 permanent pieces on display are small, not surprising since they were a private collection housed in a small home. After taking a look at the gift shop, head back out to Main Street to nosh at one of 14 eateries or poke about in such shops as Queen's Pantry, which specializes in embroidered bed linens and pillows. North of town, as it segues into affluent suburbs, is the amusingly named Toogood Pond, the ideal spot for a quiet walk. Also explore the warren of postcard-perfect historic homes in the northern section of town.

**Where:** Hwy. 401 to Kennedy Rd. N.

**When:** gallery, W 10-5, Th 10-8, F-Sa 10-5, Su 12-5.

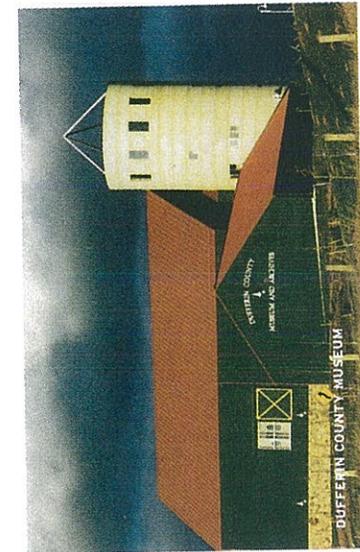
**How much:** gallery, adults \$4, seniors and students (12-17) \$3, children (six-11) \$2, under six free.

**Parking:** free, behind Main St. and opposite the gallery.

SHOPPING EXCURSIONS

Harbourfront, Harbourfront

**Antique Market** 66 The majestic art deco Queen's Quay Terminal building was reconfigured in 1972 as a venue for boutiques, cafés, restaurants and 72 chic condominiums. Recent modifications to the second level have resulted in wider walkways adorned with fat, comfy sofas, and the food court has shifted from the darker north end to a sunny southern area with a lake vista on one side and an overview of the dramatic central atrium on the other. Lots of white and pale aqua, natural light, soaring space and glass shopfronts make Queens Quay a stylish precursor to the Eaton Centre—both were designed by the same architectural firm. A few shops worth a browse: Proud Canadian Design and



of grass by the lake at the foot of town. On the premise that any place with "port" in its name must offer up seafood, there's Captain George Fish & Chips (161 Queen St.), which serves up diet-busting filets and fries at a reasonable price (two can dine for \$15). Cast all restraint aside and buy dessert at the Nutty Chocolatier (182 Queen St.), an old-fashioned confectioner with curved-glass and wood counters, high stacked jarsfuls of candy and a devilish selection of homemade chocolates. If you suddenly get a guilty urge to burn off the sweets, the Port Perry Marina rents everything from canoes to 18-foot runabouts; snowmobiles are available in winter. A less vigorous, and potentially expensive, alternative is to visit Port Perry's homeware, antique and furniture stores on Queen Street. Try scenic Taunton Road for your return trip.

**Where:** Hwy. 404 north, east on Bloomington Sideroad.

**When:** year-round.

**How much:** canoes \$7 per hour; 18-foot runabouts \$50 per hour; snowmobiles \$35 per hour; weekdays, \$45 weekends and holidays.

**Unionville** 6 That Unionville is a hot spot for movie shoots will be no surprise to anyone who has visited the picture-perfect town. Huge hanging baskets and big tubs of flowers line

Throw in several vintage clothiers, a few discount stores and the odd atelier; and the market comes alive with its cluttered sidewalks, cacophony of music styles, strong smells and hordes of people schlepping bags laden with fruit and veg. Where else can you find a flamenco guitar school next door to a dental clinic, beside a unisex hair salon, hard by an Ethiopian restaurant? The frenzy of activity continues on Spadina, heading south into Chinatown. Nationalities change, but the street ambience stays constant: vibrant, busy, crowded with people seeking giant prawns, roasted duck, fresh durian and flawless Chinese pears. Several Asian housewares shops on Spadina house treasure troves of discount small appliances, dishes and exotic cooking implements.

**Where:** Kensington Market,

**TTC access:** Harbourfront LRT from Union station to York St.

**Parking:** pay lots at the foot of Bay St. and next to the antique market.

**Kensington Market, Chinatown** 6 It's hard to believe ultra-urban Kensington Market was once a park. By the 1850s and '60s, the land had been subdivided into tiny lots containing even tinier houses. The British immigrants who lived in them eventually made way for Jews from central and southern Europe, who began selling goods from pushcarts and their front lawns. Today, the few blocks from Spadina to Bathurst, between College and Dundas, are a United Nations of market shops and restaurants: Middle Eastern, Thai, Cajun, Vietnamese, African, Caribbean, Portuguese and Jewish.



between Spadina and Bathurst, south of College. Chinatown, Spadina south of Baldwin.

When: individual shop hours vary.  
**TTC access:** Spadina street-car south from Spadina station.  
**Parking:** pay lots accessed from Spadina.

**Pacific Mall**

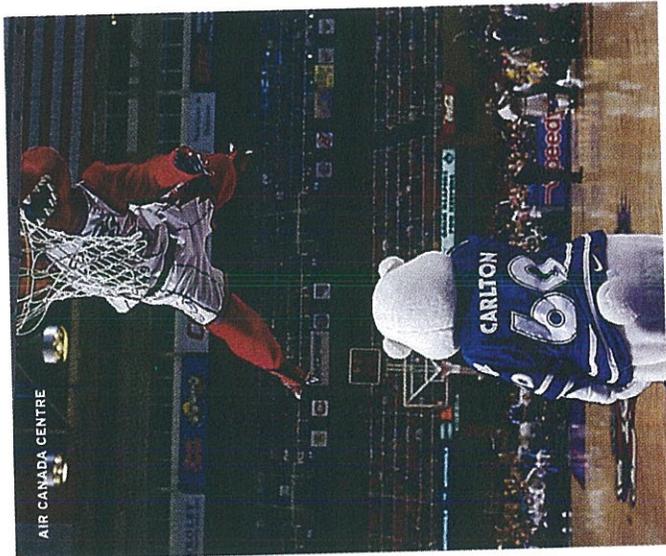
The airplane hangar-sized structure at Kennedy and Steeles houses about 400 shops arranged on two floors, laid out in a grid pattern of avenues and streets. The small, glass-fronted stores sell the latest Japanese clothing, fun and funky jewelry and assorted decorative accessories for the home. Behind a long, wavy facade of brushed aluminum on the second floor is MHQ Karaoke Box, a lounge-restaurant with 20 soundproofed rooms, each containing low tables, biomorphic couches and state-of-the-art technical equipment. Heritage Town, an additional section of tiny stores on the second floor, has been decorated to reflect Asian visual arts and architecture. Storefronts sit on the other side of a pond with waterfalls splashing over stones imported from China. A bridge spans the gap, allowing access to the pretty structures with green-glazed terracotta roofs, hand-carved wooden detailing and individually painted lanterns hanging on their exteriors. An elaborate gold-encrusted stage with carved red rosewood furniture, a superb sound system and full-facility backstage dressing rooms has been located near the food area and is intended for seasonal festivities, and for use by community groups, school choirs and individual artists. Plans for an Italian month, a Greek food festival and other ethnically centred activities are in the works.

Where: 4300 Steeles Ave. E., 392-7219.  
 When: Tu-Th 8-6, F 8-7, Sa 5-5; farmer's market Saturdays only 5-5.  
**TTC access:** Union station, walk east along Front St. to Jarvis St.  
**Parking:** pay lots on the Esplanade.

**St. Lawrence Market**  
 Saturday at the market has been a Toronto shopping ritual for almost two centuries. In 1803, the land north of Front, west of Jarvis, south of King and east of Church was designated as Market Block. The south building's stores are chock-a-block with fresh foods, from the prosaic to the exotic. In the latter category is Caviar Direct, the city's prime supplier of fresh and canned roe. Don't leave without trying one of the mouth-watering chicken sandwiches from Churrasco St. Lawrence; don't let the lengthy lunchtime lineup deter you. The north market across Front Street was torn down in 1968 and replaced by the current structure, which holds a busy farmer's market on Saturdays and an antique market on Sundays.

**SPORTS HIGHLIGHTS**

**Air Canada Centre**  
 It may lack the character of the beloved Maple Leaf Gardens, but the ACC has a few things the Gardens didn't: unimpeded sightlines from each of its nearly 20,000 cushy seats, decent legroom (even in cheaper seats), an in-house brewery, over 700 closed-circuit televisions (even in the 56 wheelchair stalls), total wheelchair access, and services for visual- and hearing-impaired people. To make up for its newness, the ACC created a museum (shown on fours and open during games) that exhibits



AIR CANADA CENTRE

● Corresponds to map.

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Boris Brodt, Conductor  
 Concerts on  
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## *Pacific Mall Heritage Town*

*On behalf of the government of Canada and as Member of Parliament for the riding of Oak Ridges it is my pleasure to congratulate the Pacific Mall Heritage Town on its grand opening ceremony.*

*The objective of the Pacific Mall Heritage Town is to expose to Canadians of different ethnic backgrounds to the rich and engaging culture and traditions of the Pacific.*

*The town has demonstrated its commitment to promote Chinese culture and to advance social interests for local ethnic communities as well as foreign visitors. Chinese merchants and special recreational events truly make the town a point of multicultural shopping and dining attraction.*

*Congratulations on this memorable occasion.*

*June 24, 2000*



*Bryan Wilfert*  
**Bryan Wilfert, MP**  
Oak Ridges  
韋伯輝





*A special message to*

## *Pacific Mall*



*I extend my sincere congratulations and best wishes on the occasion of your 16<sup>th</sup> Anniversary*



*The many achievements and contributions that you have made to our community, has made Canada a better place to live. I wish you all the best in the years to come.*



*The Hon. John McCallum, P.C., M.P.  
Markham – Unionville  
March 10, 2012*

