



MID-WEST DEVELOPMENT (2000) CORP.

PART OF THE MID-WEST GROUP OF COMPANIES

May 1, 2020

His Worship, Mayor Charlie Clark
and members of City Council
City Hall
222 3rd Avenue North
Saskatoon SK S7K 0J5

Third party information contained in this record has been redacted to protect the privacy of the third party's labour relations and competitive position information.

Via email city.clerks@saskatoon.ca

Dear Mayor Clark and Council members:

Enclosed is one email chain from one of our tenants at 144 2nd Avenue South. [REDACTED], an institution in downtown Saskatoon, in some way is the bellwether for the viability and future of the downtown core.

Their email bothers me on so many levels, which is why I am forwarding/enclosing this email to people and groups that could impact the future of our city.

In the 1970s, Midtown Plaza was the saviour of the downtown in spite of a lot of naysayers. River Landing's impact on the core is yet to be determined!!

There have been several major issues that have impacted the core negatively:

1. the bus mall was to be moved 15 years ago from 23rd Street between 2nd and 3rd Avenue – it's still there;
2. the Saskatchewan Social Services at 160 2nd Avenue South;
3. the Lighthouse Supported Living at 304 2nd Avenue South;
4. the general perception that it is not safe downtown, not just by feeling, but by the reality of the presence of people who approach downtown patrons in unsafe ways from verbal attacks to stabbings of innocent random people.

As a lifetime resident of this city and a businessman for over 56 years, I am concerned that if the 4 major issues I have mentioned are not dealt with quickly and with a mutually-acceptable solution to all parties, the future of downtown Saskatoon does not look good. Cities die from the core out.

It is time to recognize and acknowledge what is happening and have our civic leaders act quickly to save our downtown.

Yours truly,

Ken Achs
President and CEO
306.222.2555 (cell)
midwest@mwdc.ca

KA/lp
Enclosure

- c: Troy Cooper, Police Chief, Saskatoon Police Service via email policeservice@saskatoon.ca with enclosure
Jeff Jorgenson, City Manager via email city.manager@saskatoon.ca with enclosure
DeeAnn Mercier, Executive Director, Broadway BID via email deeanmercier@broadwayyx.com with enclosure
Honourable Scott Moe, Premier of Saskatchewan via email premier@gov.sk.ca with enclosure
Keith Moen, Executive Director, NSBA via email keith.moen@nsbasask.com with enclosure
Brent Penner, Executive Director, Downtown BID via email brent.penner@dmnyxe.ca with enclosure
Heather Persson, Editor-in-Chief, The StarPhoenix via email hpersson@postmedia.com with enclosure
Randy Pshebylo, Executive Director, Riversdale BID via email randy@riversdale.ca with enclosure
Chris Sicotte, Chair, Greater Saskatoon Chamber of Commerce via email chris.sicotte@aon.ca with enclosure
Trevor Jacek, CFO, Mid-West Group via email trevor.jacek@mwdc.ca with enclosure



Ken Achs

From: Trevor Jacek
Sent: Wednesday, April 29, 2020 2:19 PM
To: Ken Achs
Subject: FW: Reply to letter April 21

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Ken:
Please see the below letter from [REDACTED] at [REDACTED]. I had proposed that due to COVID-19, we waive charging him rent for the next 3 months in exchange for a long-term commitment to stay in our building downtown. This would significantly impact our cash flow in the short-term but we could have justified by maintaining him as a tenant for years to come.

[REDACTED] does not want to accept our proposal. The issue is that [REDACTED]. This is a business that has been downtown for [REDACTED] years (wow) and is now pondering its future in downtown Saskatoon.

We need to figure out how to turn this around.



Trevor Jacek
Chief Financial Officer
Mid-West Group of Companies
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100-450 2nd Avenue North, Saskatoon SK S7K 2C3 | www.midwestgroup.ca

From: [REDACTED] >
Sent: Thursday, April 23, 2020 4:10 PM
To: Trevor Jacek <Trevor.Jacek@mwdc.ca>
Subject: Reply to letter April 21

Trevor:
Thank you for the reply to my request regarding rent relief.

We have reviewed your proposal and would like to respond with the following.

[Redacted lease information]

We are not in the position of extending the term of the lease, due to the uncertainty of the retail market in downtown Saskatoon. [REDACTED] has operated in the downtown core since [REDACTED] and in the past few years has never experienced such a dramatic downturn in the perceived image of our downtown core. There is a strong negative view in the general public's image of our downtown, in particular regarding safety issues. The partnership is working hard to address this, but it appears to be an ongoing battle. The vacancy rate of our downtown is at an all time high, and that is prior to the recent Covid 19 event. Retail in Saskatchewan will not be reopening until May 19th. This two month closure of retail businesses and restaurants will not bode well for the stability of our currently fragile downtown.

With these issues in mind, we would like you to reconsider your stance regarding the retail rent on our space, and would appreciate a response prior to the end of the month.
We could meet by phone or in person to discuss options available.

Stay Well



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Sent from [Mail](#) for Windows 10

From: Trevor Jacek
Sent: Tuesday, April 21, 2020 12:21 PM
To: [Redacted]
Subject: RE: Rental payments.

Hi [Redacted]

Thanks for the letter. This is obviously a challenging time for all of us but thankfully our Mid-West team and my personal family have all remained healthy.

We value you as a tenant as I am sure you value you us as a landlord. There was no TI allowance when you first moved in but we did hold the space for almost a year, as we figured you were worth it. We wanted to have a long-term relationship between two established and respected Saskatoon businesses.

We are willing to “double-down” on our commitment to you, if you do the same. We would provide relief now and tie it to an extension of the current lease. We are prepared to extend the lease for 3.5 years (which would take the term of the lease to July 2027), with base rental payments as follows:

[Redacted lease information]

We will charge occupancy-costs only for May, June and July to allow you manage your cash flow through the current challenging time.

We have prepared a short one-page letter to document this arrangement. Please see the attached.

Thanks for your business.



Trevor Jacek
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From: [Redacted]
Sent: Friday, April 10, 2020 2:51 PM
To: Trevor Jacek <Trevor.Jacek@mwdc.ca>
Subject: Rental payments.

Trevor

Hope all is well with you and family as well as with your extended Mid-West family.

I have attached a letter that I have forwarded to all of our suppliers regarding plans to contend with the business issues brought on by the Covid-19 pandemic.

I have received positive comments and will be receiving [REDACTED] on a [REDACTED] of our spring goods. This will help maintain our [REDACTED] during the sale period, as outlined in the attached letter.

Prior to our reopening we will however have [REDACTED], and we are [REDACTED]. We have [REDACTED].

When we reopen we will be operating with [REDACTED] until business returns to a somewhat normal flow.

What we have not addressed thus far is the rental on our location.

I propose that for the next 3-4 months that we continue to pay the operational costs associated with our portion of the building and we are asking Mid-West to forgive the rental portion during this period. This should keep you close to a neutral operating position on the building until the economy makes a healthy recovery.

[Redacted lease information]

Looking forward to hearing from you. We understand these are difficult times for everyone, but feel that as a community we will all get through this together.

[REDACTED]

Sent from [Mail](#) for Windows 10