

ECONOMIC IMPACT OF PROPOSED DEVELOPMENT OF TRILOGY AT CUMBERLAND LOT 6

This report summarizes the economic impact of proposed development in Lot 6 of the Trilogy at Cumberland project. The impacts are based on the following preliminary development scenario:

- 303,000 square feet of commercial development, including:
 - 273,000 square feet of retail development, including large format retail, a service station, and other assorted retail
 - 30,000 square feet of restaurant development

Construction Impacts

Total construction costs, based on average costs in the \$150-170 per square foot range, are estimated at \$49 million.

The construction phase will support about **210 person-years of direct construction employment**, plus an additional **240 person-years of spinoff employment**. Most of these employment impacts will be felt in Cumberland and the broader Comox Valley, although if construction labour shortages require workers to be hired from outside the local area, the local employment impacts will be lower. The construction phase also generates about **\$625,000 in municipal property tax revenue**, but this is shared among all municipalities that are home to construction companies, their suppliers, and their workers.

Long-Term Operating Impacts

Once full build-out of Lot 6 is achieved, the **retail and restaurant operations will support about 720 jobs**.

For the Village of Cumberland, **annual property tax revenue will be about \$675,000**.

Other Benefits

The development of Lot 6 will increase the range of shopping and food service options available to Cumberland residents in their own community. There is currently significant leakage of retail spending by Cumberland residents to other communities, so the development of more options in their home community will decrease this leakage and will also attract spending from neighbouring communities in the Comox Valley and from travelers passing by on the Inland Island Highway. The new businesses on Lot 6 will also provide more local employment opportunities for Cumberland residents, particularly for younger residents, including students, and those seeking part-time employment.

Municipal Costs

The Village of Cumberland will incur some additional costs as a result of the development of Lot 6. These costs include road maintenance, sewer and water infrastructure maintenance, fire and police services. These costs are expected to be relatively insignificant relative to the additional municipal tax revenue generated by Lot 6.