

27 April 2017

Mayor Lisa Helps and Council
City Hall
1 Centennial Square
Victoria, BC, V8W 1P6

Reference: 324/328 Cook Street, Victoria, BC - Off-Site Parking
Easement EX143925 (as modified by FA103662) and
Covenant EX143926 (as modified by FA103663)

Dear Mayor Helps and Council:

Please accept this letter as our formal request for the discharge of the above off-site parking easement and covenant (the "Easement/Covenant") on the property at 324/328 Cook Street.

The original purpose of the Easement/Covenant was to provide for the use of parking stalls on 324/328 Cook Street by the commercial tenants of the second floor of the building across the street at 320 Cook Street/1075 Pendergast Street. In light of this, our request is being made for two reasons:

- 1) these parking arrangements are no longer required, as there are no longer any commercial tenants occupying the second floor of 320 Cook Street/1075 Pendergast Street; and
- 2) the discharge of the Easement/Covenant is necessary for the development of the NW corner of the Cook and Pendergast Streets (being the contiguous properties at 324/328 Cook Street and 1044 - 1052 Pendergast).

Put in place on Nov. 10, 2005 (and modified on Aug. 30, 2006), the Easement/Covenant enabled commercial tenants to operate, within the City's guidelines, on the 2nd floor of 320 Cook Street/1075 Pendergast for a number of years. However, as of July 31, 2016 all of these tenants had relocated leaving the 2nd floor completely vacant. The on-site parking at 320 Cook Street/1075 Pendergast is more than adequate to meet the requirements of the ground-floor businesses.

In February, 2017 we were advised by Mr. Alec Johnston, Planner, City of Victoria, that the use of the 2nd floor of 320 Cook Street/1075 Pendergast for commercial offices was, in fact, a "legal, non-conforming" use and that since the 2nd floor had remained vacant for more than six months this "legal, non-conforming" use would no longer be permitted. We acknowledge this change in status and are working on plans to comply with the CR-3M zoning. In this regard, all leasing signage relating to the 2nd floor has been removed along with any leasing references on our property manager's website. Seven local contractors have been contacted to discuss residential conversion strategies for the 2nd floor and three have been identified as good options to work with at the appropriate time.

For over three decades our family has owned a combination of commercial and residential properties on the NW and SW corners of Cook and Pendergast Streets. In keeping with the City of Victoria's Official Community Plan "Large Urban Village" designation for the area, we embrace

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the need to increase residential opportunities in the village. Development of the properties on the NW corner will serve this vision well, and our short and long-term strategy for the SW corner should deliver a similar outcome in time, however the discharge of the Easement/Covenant is necessary for this development to proceed.

Thank you for your time and consideration of this request. We are at your disposal to answer questions.

Sincerely,


Greg Duckett
VP, Duckett Managements Ltd.