

Mar. 2nd, 2021

To: City of Brandon Planning Commission and City Council

REKA Holdings built a small condo development on the north hill called Stonebridge on Outback (18 duplex style condos Outback Dr.). We started digging in 2014 and sold the last condo in 2019. Our request to have the development charges waived for #2 Outback (directly east of the Stonebridge on Outback development). It is not developed yet as a result of our dealings with BAP and the Province's Dept. of Highways as they relate to the original 18 condo development and this parcel.

This letter is a request to have the development charges waived, because of what has ended up costing REKA Holdings Ltd., a sizeable amount of money as a result of what could be described as mis-communication between BAP and the Province of MB. as it pertains to the planning and realignment of 18th st. where it intersects with Outback Dr. It's not a case of blaming any dept., but rather the result of 'both sides of the fence' not being on the same page if I may word it that way.

Unbeknownst to REKA Holdings at the time it purchased the land, the city had 'reserved' a significant portion of property on the east end of the original parcel we purchased on Outback Dr. It was reserved for future Service Road Development. However, upon learning some new info., the city proceeded to give the reserved parcel back to REKA at a later date, after learning that it wasn't needed. Waiving the development charges doesn't come close to what REKA has incurred in losses or what it will incur in costs, but it will provide some justification for the time spent trying to 'right this wrong'. With that said, below are the details of the matter.

- When REKA originally purchased the parcel there was an approved site plan as well as a Development Plan already in place and it included more property and frontage than that which we were eventually allowed to develop.
- After purchasing the property, we met with BAP to explore some options and were informed that the original plan needed to be changed because the city had reserved #2 Outback for future Service Road Development and therefore, REKA didn't have as much land as we were led to believe. Of the 217 meters of frontage that REKA purchased, 33.6 meters of it was being reserved by the city for any future service road development needed when 18th St. N. is realigned.
- We asked quite a few times, why so much land was needed, because when we 'eye balled' the new 'property line' and compared it to our neighbor's property line across the street they didn't line up and therefore it didn't make sense.
- In 2014 we submitted our application for the subdivision on the main parcel for the 18 condo units that are now there.
- Shortly after we started our subdivision process, MB. Highways contacted us, saying they wished to purchase a 12.4-m strip for the development of the 18th St realignment, which was less than what the City had reserved and therefore less than what the city had zoned DR and which left 21.1 meters of frontage that the city was reserving. Therefore we couldn't help but wonder if this made some of the 21.1-m (70') available to us again. But, once again we were told no ... it was not available.

- Our final sub-division hearing at the BAP Board meeting was scheduled for 7pm on December 4th 2014, but I decided to make one more 'last ditch effort' by driving up to the MB. Dept. of Highways (Brian Hickman), even while knowing the hearing was that evening. I questioned Brian yet again as to why so much of that parcel was needed, and this time Brian showed me a drawing of the area in question that hadn't been shown before and it was a different layout and different dimensions if I may word it that way. I asked him if I could have a copy of it and he said no, so I asked him to send a copy of it to BAP (Ryan Nickel) which he did. I then received a phone call from Ryan asking if I could come to his office asap. In summary, I was told that too much land had been reserved by the city and it doesn't need that remaining piece of land, so we can have it back.
- The problem with that, was that all the applications had been done, engineering done, legal work done, time spent, money spent, and our current sub-division application had already passed at the 1st meeting, and it was now less than 6 hours before our final hearing that evening, and we were keen to get going with the development before winter set in. We could not afford to pull the application at that point in order get the eastern parcel rezoned and a new sub-division applied for ... not to mention having it included in all the applicable condo documents etc. And we naively thought ... how hard can it be to get it added in at a later date. We were too far into it to pull out at that stage.
- Had the city not reserved as much land as they initially did, we would have done the rezoning of #2 Outback when we started with Stonebridge on Outback and had it included in the current development, which would have been much easier than what we're faced with now and much cheaper since we would have had the engineered drawings for servicing, include this parcel, sales and marketing costs would have included the extra 3 or 4 condos, and the services would have been installed when we did the whole development along with the complete condo development including the sub-division. Forming a condo association and development would have been done for all 21 or 22 condos instead of 18. This is why this piece of land is on its own today and now has to be developed separately because the Stonebridge on Outback development is complete. There seemed to be confusion with this from the beginning and had we not been as diligent as we were, in continually questioning why so much land was being reserved and that the property lines didn't line up... it might still be in the hands of the city.

Because of this error, REKA is now faced with additional costs - provide engineered drawings for a new site plan - provide new engineered drawings for services (sewer and water) - new engineered drawings of the building(s) to be built on it – extra costs to 'tie in' to the sewer and water that we wouldn't have had to do, had the error not been made - additional legal costs to potentially join the existing Stonebridge on Outback condo assoc. which is a \$10,000 - \$15,000 process and there are no guarantees that it could happen unless the existing Stonebridge on Outback condo board would agree to it.

In summary, is it fair to ask REKA to pay for an additional development charge when it already had a Development Agreement? Equally or more importantly ... \$10,000 in 'waived' development charges puts a 'dent' in the additional costs and loss of income that REKA has incurred, but if we were to put a number to the above list of extra costs and additional losses ... it might be closer to 6 figures than it would be to \$10,000.

Thank you for your time and for your consideration of this request.

Respectfully,



Ralph Redfern
REKA Holdings Ltd.