

Attention: Ken Johnson, President, Hallmark Heritage Society,

I am the President of Reliance Properties and we are proposing to restore and rehabilitate the above properties.

Reliance has extensive experience restoring Heritage Buildings in Vancouver's Gastown and we have won three municipal Heritage awards for our projects.

We are in receipt of the attached press release from your society.

We wish to express our disappointment that we were not provided an opportunity to discuss or present our project to your Society in the normal course of events before Public Hearing that is some time in the future.

At this juncture the project is only seeking consent to advance to further consideration by the design and heritage advisors of the City of Victoria.

We would of course expect that any opinions by groups that seek to engage the broader public through the press be informed by full and accurate information concerning the proposal.

To this end the last paragraph of your press release is extremely concerning to us:

***"The developers cannot argue that the Heritage status of these buildings in any way ties their hands, as they knew precisely what they were getting when they acquired the property. Nor, therefore, can they argue that to justify restoration of the buildings they must also acquire a substantial piece of public property beside and in front of it: What they saw is what they got, and the City must resist such arguments. If the developers cannot work with the property without getting a side deal for the City property, they should walk away, and allow some other entrepreneur --or the City itself-- to tackle this exciting challenge."***

What is most alarming about this paragraph is the clear assertion that we purchased the lands as a stand alone development and then later came up with an idea of buying city lands to justify the Heritage Restoration.

That could not possibly be further from the truth and it paints us in a very bad light in the minds of the Public who we must ultimately consult at Public Hearing.

The true history is that we optioned the property and incurred costs of several extensions while we discussed numerous options with City staff and ultimately City Council.

We first came up with a design for just the buildings and lands alone that did not obtain support from planning. We were encouraged to instead consider involving some City lands so we came back with a design on the Lands and the adjacent City Parking Lots. This plan did not obtain favour either and we were further encouraged to include a concept (very close to the current) that also involved the street and Public Open Space. This plan was strongly supported by the Planning Department and Heritage.

At this point we felt that given that the new building development was sited almost entirely on City Lands we asked the the concept be taken to Council for a preliminary look.

This ultimately led to a council meeting, two years ago, and the follow up consent letter included in our rezoning package.

This letter provided consent for us to make an application to rezone city lands and directed staff to enter in to land purchase negotiations with us.

After this and only after this did we remove our subject conditions and purchase the land and proceed with the current application.

As our credibility and intentions are now being misrepresented to the media we feel that you must have an accurate understanding of the history of this application.

All of the above is a matter of Public Record and completely factual. The referenced Letter from Council is available in the rezoning package at City hall and part of our standard presentation to any interested group.

We would be happy to make such a presentation of our proposal, including the included Heritage Conservation Plan, to your group.

We urge you to remove the last paragraph from your press release and web site.

If you wish to verify any statement I have made please feel free to contact me and I can provide you with the necessary information.

Alternatively you could speak to Steve Barber at the City of Victoria.

Thanks for your attention to this.

If you wish to speak to me directly my Phone Number is 778-288-2474.

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