

From: [Lovatt Planning Consultants](#)
To: [City Clerk](#)
Cc: [Kelly Stadnyk](#); [Mike Norris](#); [Jim Chorley](#); [Daryl Carpenter \(daryl@metro-pm.ca\)](#)
Subject: Bylaw No. 1171-2024
Date: Thursday, March 14, 2024 4:05:21 PM
Attachments: [FLEXpropertieslubletter.pdf](#)

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Please see the attached letter for a response to the captioned proposed bylaw.

Olga Lovatt

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March 14, 2024

Sent by email

City of Leduc
1 Alexandra Park,
Leduc, AB
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Attention: City Clerk

city_clerk@leduc.ca

Subject: **Proposed Rezoning of Lots 4, 5, and 6, Block 2, Plan 0322880**

Thank you for providing FLEX Properties (the owners of Lots 4, 5, and 6) the opportunity to change the existing use of their lands from Light Industrial (IL) to General Commercial (GC). However, rezoning at this time would be a serious detriment to the landowner and existing tenants. Your letter of February 8, 2024 promotes the redistricting of FLEX lands and invites them to respond to *what would that mean for you?* A response on FLEX Properties behalf follows.

Background

In 2003 the City approved a light industrial (IL) subdivision which was registered as Plan 032-2880. In 2005, FLEX, purchased 3 lots in the subdivision and constructed a multi-tenant rental building on each lot (3 buildings) located adjacent the south side of Airport Road mid-way between 39th and 42nd Streets. FLEX Properties has been leasing the buildings for light industrial (IL) type uses for about 20 years. As well, FLEX Properties, acting in good faith, have continued to make investments based upon their approval of IL- Light Industrial Zoning.

Leasing space is a complex and time consuming task. Consistent and compatible zoning is of critical importance to our current and prospective tenants. Our existing buildings are designed for the historic "Light Industrial" zoning and are matched to tenant expectations. The vast majority of our current tenant uses identify with the industrial nature of the current zoning. These tenants are not accommodated within the proposed General Commercial (GC). The abrogation will cause prospective tenants to consider alternate locations where compatibility is not an issue.

Eliminating *General Industrial (Light)* use as permitted or discretionary will restrict the ability of FLEX Properties to attract new tenants. More importantly, it will place the legitimacy of our existing tenants' occupancy in question. We believe this to be a bad faith proposal and will place the impacted landowners at significant risk of future financial loss.

In addition the change in zoning may cause Flex Properties existing mortgage lender to call its mortgage at maturity. In addition if Flex Properties wished to refinance the property under the proposed zoning the amount of a new mortgage would be reduced as opposed to refinancing under the existing zoning.

Grandfathering is not the solution as it would only serve to place a financial black cloud over any future investor or tenant transaction.

The rationale for the proposed change is weak in the face of existing developments. The urgency for this change is not founded in the reality of the current situation. A review of higher order documents including the Municipal Development Plan and North Leduc Industrial Area Structure Plan did not provide any clear or direct support for this proposed change.

The City's desired change may well evolve as it will be another 60-70 years before the buildings on FLEX Properties lands are at the end of their useful lives and the land is ready for redevelopment. Artificially accelerating this process via predatory rezoning is an act of bad faith.

A change in zoning should be promoted by the land owner not the municipality. We urge Council to reject the proposed rezoning of FLEX Properties lands.

Notification of the public hearing has been received and representatives from FLEX Properties AB Ltd. will be attending.

Please contact the undersigned if you require any further information.

Yours truly,

LOVATT PLANNING CONSULTANTS Inc.



O. Lovatt,
Principal

cc: Kelly Stadnyk, Development Officer
Mike Norris, Planner 1
Jim Chorley, FLEX Properties
Daryl Carpenter, FLEX Properties

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