

## SCHEDULE E

### Form of Completion Report for Studies

Please do not hesitate to contact your project officer to receive an electronic copy of the template of the Completion Report for Studies.

**Upon completion of the Feasibility Study, a copy of the Final Study must be submitted along with this Completion Report for Studies.**

FCM will post your report on the [Green Municipal Fund™ \(GMF\) website](#).<sup>1</sup> This is because one of FCM's mandates is to help municipal governments share their knowledge and expertise regarding municipal environmental projects, plans and studies. Before you submit a report to FCM, make sure you hold the copyright for the report (you own all the rights to the content and can decide who is allowed to reproduce and distribute the report) and that it does not contain any confidential information.

If the report contains confidential information, you need to submit two versions: one containing confidential information, to be read by FCM staff, and one that does not contain confidential information, which can be posted on the GMF website. Please contact FCM if you have any questions about copyright and confidentiality.

#### **How to complete the Completion Report for Studies**

The purpose of the Completion Report for Studies is simple: to share the story of your community's experience in undertaking a Feasibility Study with others seeking to address similar issues in their own communities.

Please write the report in plain language that can be understood by people who are not specialists on the subject. A Completion Report for Studies is typically in the range of 5–10 pages, but may be longer or shorter, depending on the complexity of the Feasibility Study.

GMF grant recipients must enclose **final** copies of the Completion Report for Studies and the Final Study, both in electronic format, with their final Request for Contribution. The reports, including all attachments and appendices, must be submitted in PDF format with searchable text functionality. Reports that are not clearly identifiable as final reports, such as those displaying headers, footers, titles or watermarks containing terms like “draft” or “for internal use only,” will not be accepted by GMF. Additionally, reports must be dated. If you have questions about completing this report, please consult GMF staff.

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<sup>1</sup> <http://www.fcm.ca/home/programs/green-municipal-fund.htm>

## Completion Report for Studies

<b>GMF number</b>	GMF15160
<b>Name of lead applicant (municipality or other partner)</b>	1939522 Ontario Limited
<b>Name, title, full address, phone, fax and e-mail address of lead technical contact for this study</b>	Tim Collins, LANDx Developments Ltd 293-1235 Fairview Street, Burlington ON L7S 2K9 905-329-0312
<b>Date of the report</b>	March 4th, 2020

### 1. Introduction

- a. **Who was involved in doing the Feasibility Study, and what are their affiliations? Please include name, title and contact information. Those involved could include municipal staff, engineers and other consultants, a representative from a non-governmental organization, and others.**

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## **2. The Feasibility Study**

### **a. Describe the process that you undertook to make this feasibility study a reality, from concept, to council approval, to RFP, to final deliverable.**

- An RSC had previously been filed in 2013 over the subject property that included all of Parcel A, as well as the northern and northwestern adjacent and neighbouring properties. This RSC included application of the Ontario Table 1 Background Site Condition Standards and various Risk Management Measures associated with Certificate of Property Use (“CPU”) No.0261-8XLH9B.
- Following initial assessment and delineation, a revised remediation strategy that was responsive to the varied quality of soil and groundwater across the property was prepared. This revised delineation strategy divided Parcel A into two key sections, Parcel A1 (Generic Site Condition RSC) and Parcel A2 (Modified Generic Risk Assessment RSC/CPU).
- This remediation strategy was pursued to improve the condition of soil and groundwater across Parcel A so that future land uses were not limited by the overly stringent risk management measures tied to CPU No.0261-8XLH9B.
- Parcel A1 was granted approval for a Generic Site Condition RSC by the MECP on October 8th, 2019.
- Parcel A2 was granted approval for a Modified Generic Risk Assessment by the MECP on December 12th, 2019.
- Parcel A2 was granted approval for a RSC by the MECP on February 27th, 2020.
- The feasibility study resulted in less onerous restrictions on title for the property, remediating portions of Parcel A beyond the site condition standards permitted under the previous RSC and CPU.
- The approved records of site condition represent the successful completion of the project.

### **b. What were the objectives of the Feasibility Study (what was it seeking to determine)?**

- The objective of this GMF Feasibility Study was to demonstrate that the condition of soil and groundwater on the subject property was more suitable for a less stringent table of site condition standards, establishing conditions and standards for the property that were more representative of the actual risk found on site.

### **c. What approach (or methodology) was used in the Feasibility Study to meet these objectives?**

- While the property already had an RSC at the outset of the project, Ownership recognized opportunities to continue to strive for the improvement of site conditions.
- Through supplemental re-assessment of the subject property, the proponent identified opportunities to clean up a portion of the site all the way to a generic standard.

- A Modified Generic Risk Assessment approach was pursued on the remainder of the property.
- The strategy resulted in receiving two RSC's for the subject property, ensuring the land was not overly encumbered by stringent risk management measures

**d. Please describe any public consultations conducted as part of the Feasibility Study and their impact on the Study.**

- **Risk Assessment - Public Consultation**

- A notice of Risk Assessment advertisement was placed in the Niagara Falls Review on October 11th, 2019. A copy was also posted on the Niagara Falls Review website for approximately one week.
- The Notice of Risk Assessment was also posted on a 1.2m x 1.2m on both the northern and western property boundary fences of the Site on October 11th, 2019.
- Letters were sent via courier on October 15th, 2019 to the owners of the eastern adjacent property (Ontario Power Generation Inc.) and southern adjacent property (The Corporation of the City of Niagara Falls). The adjacent properties to the North and West of the Site are owned by 1939522 Ontario Limited and no notice was required.
- No comments were received during consultation and therefore no further revisions to the risk assessment report were required

- **Draft Plan Public Consultation**

- Formal consultation meeting between ownership and representatives from the City and the Region was completed on May 14th, 2019
- The proposed draft plan of subdivision was circulated to all relevant municipal departments and relevant agencies, including the Niagara Peninsula Conservation Authority and Hydro One.
- A Public Meeting with all interested members of the public will be scheduled for April 2020. Interested parties will have the ability to review and comment on the proposed Draft Plan of Subdivision.
- Public input will be incorporated into the proposed development. The Draft Plan of Subdivision Application being submitted to the Municipality will establish blocks for development. These blocks would then be subject to Site Plan control, allowing for an additional public process with respect to the detailed design and function of the individual development blocks.

### **3. Feasibility Study Findings and Recommendations**



**a. What were the environmental findings related to the options explored in the Feasibility Study? Please provide quantitative results and summary tables of these results (or the page numbers from the Feasibility Study report).**

- See attached, RSC#226074 Filed to the Environmental Registry on October 8th, 2019 (Tables included). Specific to Parcel A1.
- See attached, RSC#226442 Filed to the Environmental Registry on February 27th, 2020 (Tables included). Specific to Parcel A2.

**b. What were the financial findings related to the options explored in the Feasibility Study (for example, results of a cost-benefit analysis, financial savings identified, and so on)? Please provide quantitative results and summary tables of these results (or the page numbers from the Feasibility Study report).**

- **Cost Benefit Analysis**
  - At project outset, there were significant limitations to the property due to the onerous requirements of the previous CPU and RSC. These limitations contributed to increased costs for construction and development of the property, specifically:
    - Requirements for the installation of hard cap barrier
    - Requirements for the installation of a soft cap barrier
    - Onerous health and safety requirements for construction crews
    - Ongoing inspection and maintenance requirements for barriers
    - Increased costs for liability insurance
  - Completion of the feasibility study and receiving an updated CPU and RSC's has mitigated these costs, resulting in financial savings of approximately \$898,766.
  - Accounting for these increased costs, in 2017 the property was valued at \$4,297,233.40 approximately \$330,810.89/acre.
  - Completion of the feasibility study and remediation efforts resulted in the property value increasing to approximately \$7,500,000, approximately \$577,367.21/acre.
    - See attached Colliers Marketing Brochure from 2020
  - The assessment and remediation of the property, at a cost of \$662,733, resulted in a \$3,202,766.60 increase to the property valuation from 2017 to 2020, a net benefit of \$2,540,033.60.
    - See attached cost benefit analysis

**c. Based on the environmental and financial findings above, what does the Feasibility Study recommend?**

- By integrating environmental conditions and land values into a revised site design and remediation strategy, the Proponent was able to better assess the feasibility of managing waste material on-site and remediating portions of Parcel A beyond the site condition standards currently permitted under the existing RSC and CPU.
- This integrated approach to brownfield redevelopment has been effective in finding a balance between the interests of the environment, community and economics of the project and has resulted in a wider range of permitted land uses for the subject property.

#### **4. Lead Applicant's Next Steps**

**a. Taking the Feasibility Study's recommendations into account, what next steps do you as the municipality plan to take? What potential benefits or internal municipal improvements would result from these next steps?**

- **Draft Plan of Subdivision**

- Formal consultation with the municipality has been completed.
- Submission of Draft Plan and supporting documentation anticipated for Q1 2020.
- Draft Plan Approval is anticipated for Q2 2020.

- **Servicing**

- As outlined in previous reports, Thorold Stone Road and the entirety of the Cytec property lack the required stormwater management capacity due to a failure of Regional infrastructure back in 2016.
- By working closely with municipal representatives, the proponent has been able to find mutually beneficial solutions to barriers related to SWM control for the immediate area.
- The new SWM outlet work is now planned to be completed in concert with the dewatering of the adjacent OPG canal in 2020.

- **Detailed Design and Construction**

- Upon completion of Draft Plan Approval and servicing of the property, lands subject to Draft Plan Approval can be subsequently divided up through the part lot control process. These newly formed lots can then be developed through a Site Plan Application.
- As per the existing zoning, the subject property shall be utilized for a broad range of industrial, service commercial, and institutional uses.
- Upon completion, the subject property will exist as a key hub for employment, strategically located in close proximity to both the City of Niagara Falls Downtown and the recently proposed Niagara Falls Downtown GO Station.

#### **5. Lessons Learned**

In answering the questions in this section, please consider all aspects of undertaking the Study — from the initial planning through each essential task until the Final Study was prepared.

**a. What would you recommend to other municipalities interested in doing a similar Feasibility Study? What would you do differently if you were to do this again?**

- Many brownfield properties across Ontario have struggled with the feasibility of redevelopment due to the stringent requirements of CPU's and subsequent risk management measures. Many sites in the past, including Cytec, were assessed for limiting liability as opposed to maximizing the future redevelopment potential of the property.
- The 'Low hanging fruit', properties easily assessed and remediated at low cost to the developer, are gone in Ontario. Developers need the ability to go back and assess properties that were once, like Cytec, capped and forgotten.

- Ownership was able to do a more detailed assessment of on site contaminants, leading to a better remediation strategy and improved conditions for the subject property. The subject property can now be developed to its full potential as a strategically located resource of commercial / employment land for the City of Niagara Falls.
- In terms of offering advice to someone in another community, it would be for Municipalities, landowners and developers alike to continually explore opportunities for identifying supplemental redevelopment initiatives on properties that have already been assessed and remediated. More diligent examination of on site soil and groundwater can assist in finding a higher and better use for contaminated properties.

**b. What barriers or challenges (if any) did you encounter in doing this Feasibility Study? How did you overcome them?**

- The original servicing design for Stage 1 of Thorold Stone Road was reliant upon a connection to a sewer crossing located underneath the CNR railway lands to the east of the property. This crossing location was not tested or verified by the Region's engineer prior to construction, and was deemed to be collapsed in January 2016.
- With the construction of the first stage of roadway now complete, both Thorold Stone Road and the entirety of the Cytec property are still without the required stormwater management capacity. AJ Clarke Engineers have been retained by the Proponent to provide detailed design services for a permanent storm sewer outlet on the subject property that will outlet into the adjacent OPG canal.
- While the Regional municipality was originally heading up the design and development of SWM controls for the area, the Proponent has recently taken charge on preparing the detailed engineering designs that support both municipal plans for the future extension of Thorold Stone Road into the Niagara Falls Downtown and future development plans at Cytec. By working closely with municipal representatives, the Proponent has been able to find mutually beneficial solutions to barriers related to SWM control for the immediate area.
- Detailed engineering designs have been submitted in concert with the Draft Plan of Subdivision, and the new stormwater outlet is now planned to be completed in concert with the dewatering of the adjacent OPG canal in 2020.

**6. Knowledge Sharing**

**a. Is there a website where more information about the Feasibility Study can be found? If so, please provide the relevant URL.**

- <https://landxdevelopments.com/ourproject/cytec/>

**b. In addition to the Feasibility Study results, has your Feasibility Study led to other activities that could be of interest to another municipality (for example, a new policy for sustainable community development, a series of model by-laws, the design of a new operating practice, a manual on public consultation or a measurement tool to assess progress in moving toward**

**greater sustainability)? If so, please list these outcomes, and include copies of the relevant documents (or website links).**

- Of interest to other municipalities could be the methodology of completing supplemental site assessments on properties previously assessed to shore up liability concerns.
- Many Municipalities have properties on their books, namely former landfill sites, that have been assessed and remediated to mitigate against liability as opposed to supporting future utilization. These underutilized brownfield sites often become a significant detriment to municipal balance sheets, and an eyesore for local communities.
- Continued efforts to understand site contaminants can result in opportunities for increased utilization of strategically located brownfield properties within a Municipality's land inventory. Municipalities can then take advantage of redeveloping these sites in support of increased employment density, community resources, or affordable housing.



*Figure 1; Excavation.* (© 2019, 1939522 Ontario Limited, Tim Collins)





**Figure 2;** Risk Assessment Notice. (© 2019, 1939522 Ontario Limited, Tim Collins)



*Figure 3; Site Picture.* (© 2019, 1939522 Ontario Limited, Tim Collins)





*Figure 4; Development ready property post-remediation and risk assessment. (© 2019, 1939522 Ontario Limited, Tim Collins)*

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The preparation of this feasibility study was carried out with assistance from the Green Municipal Fund, a Fund financed by the Government of Canada and administered by the Federation of Canadian Municipalities. Notwithstanding this support, the views expressed are the personal views of the authors, and the Federation of Canadian Municipalities and the Government of Canada accept no responsibility for them.”



<b>Cytec, Niagara Falls</b>			
<b>Parcel A</b>			
Cost Benefit Analysis for Financial Considerations			
February 26th, 2020			
<b>COSTS - ASSESSMENT AND REMEDIATION</b>			
Estimated Site Assessment and Remediation Costs	\$ 662,733.00		
<b>BENEFITS - NET INCREASE TO PROPERTY VALUE</b>			
	Per Acre	Acres	Total
Property Value as of November 1st, 2017 (As per Colliers Report)	\$ 400,000.00	\$ 12.99	\$ 5,196,000.00
Property Value as of November 1st, 2017 (ADJUSTED FOR CPU)	\$ 330,810.89	\$ 12.99	\$ 4,297,233.40
Property Value as of January 25th, 2020	\$ 577,367.21	\$ 12.99	\$ 7,500,000.00
Net Increase from 2017 to 2020	\$ 177,367.21	\$ 12.99	\$ 3,202,766.60
<b>ASSESSMENT - COSTS/BENEFITS</b>			
Costs	\$ (662,733.00)		
Benefits	\$ 3,202,766.60		
<b>Net Total</b>	<b>\$ 2,540,033.60</b>		

# Cytec, Niagara Falls

## Parcel A

### Financial Savings Budget

February 26th, 2020

#### Costs associated with CPU and RMM's

Hard cap barriers	\$	-	Consistent variable regardless of RMM's
Shallow cap barriers	\$	(848,766.60)	
Inspection and Maintenance for Hard and Shallow Cap Barrier	\$	(10,000.00)	
Health and safety requirements for construction workers	\$	(20,000.00)	
Additional Liability insurance (2 Years)	\$	(20,000.00)	
	<i>Sum</i>	\$ (898,766.60)	

#### Financial Savings Identified

\$ (898,766.60)

#### Assumptions - Hard Cap / Soft Cap Barrier

Size (acres)		12.99
Size (sq ft)		565,844.40
Coverage - Hard Cap		25%
Coverage - Soft Cap		75%
Sq footage - Hard Cap		141,461.10
Sq footage - Soft Cap		424,383.30
Price per Sq Ft (Hard Cap)	\$	4.00
Price per Sq Ft (Soft Cap)	\$	2.00
Cost (Hard Cap)	\$	565,844.40
Cost (Soft Cap)	\$	848,766.60
	<i>Total cost</i>	\$ 1,414,611.00

<https://homeguide.com/costs/concrete-slab-cost>

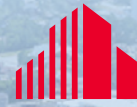


# FOR SALE

## Premium Industrial Land

Thorold Stone Road, & Stanley Avenue  
Niagara Falls, ON

12.99 ACRES



CUSHMAN &  
WAKEFIELD

THE LAND GROUP



12.99 acres

Thorold Stone Road

Stanley Avenue

**Trevor Henke\***

Vice President, The Land  
Group Direct Tel: 416 756 5412  
trevor.henke@cushwake.com

**John M. Filice, M.A.\***

Senior Vice President,  
Broker Direct Tel: 905 501  
6433  
john.filice@cushwake.com

\*Sales Representative



# Premium Industrial Land

12.99 ACRES

Thorold Stone Road, & Stanley Avenue, Niagara Falls, ON

## DETAILS



### LOCATION

Located at the southeast corner of Stanley Avenue and Thorold Stone Road, the site is approximately 4.5 kms north of the Niagara Falls Welcome Centre.

### PROPERTY HIGHLIGHTS

- No municipal development charges for industrial land development
- 100% of regional development charges may be waived for eligible industrial developments
- Wide range of industrial and commercial uses
- 2 kms from the Niagara Falls GO Train Station
- 3.6 kms from the QEW interchange at Thorold Stone Road

### SITE DESCRIPTION

12.99 acres ± of flat, vacant land

### OFFICIAL PLAN

Industrial

\*Special Policy Area 62 as amended by OPA 125 permits additional commercial uses

### ENVIRONMENTAL STATUS

A Record of Site Condition (RSC) has been completed

### SERVICES

Municipal services available at lot line

### ABOUT NIAGARA FALLS

Located in the heart of one of the busiest economic trade corridors, Niagara Falls is located within 800 kms of 130 million people in Canada and the United States.

### OFFERING PRICE

\$7,500,000



### ZONING (BY-LAW NO. 79-200)

#### LIGHT INDUSTRIAL ZONES (LI ZONE)

- 11.2.1 PERMITTED USES: No person shall within any LI Zone use any land or erect or use any building or structure for any purpose except one or more of the following uses, provided that each such use except the uses described in clauses b,p,q,v and w is conducted within a completely enclosed building and is not prohibited under section 4.8:
- a. Manufacturing, compounding, processing, packaging, crating, bottling, assembling of raw or semi-processed or fully processed materials, and further provided that no such use is dangerous, obnoxious or offensive by reason of the presence, emission or production of odour, smoke, noise, gas fumes, cinders, vibration, radiation, refuse matter or water carried waste
  - b. Car rental establishment, truck rental establishment
  - c. Car wash
  - d. Carpenter shop
  - e. Cold storage plant
  - f. Commercial bakery
  - g. Commercial printing and associated services establishment
  - h. Contractor's or tradesman's shop, Contractor's or construction equipment rental shop
  - i. Consulting engineering office
  - j. Grain and feed mill and storage
  - k. Ice manufacturing plant
  - 2002-061 l. Laboratory - experimenting, commercial or testing
  - m. Laundry plant
  - n. Machine shop
  - o. Monument, stone, clay or glass manufacturing plant
  - p. New car agency
  - q. Nursery for trees, shrubs, plants
  - r. Public garage, auto body
  - s. Public garage, mechanical
  - t. Shop for the repair and servicing of goods, machinery and equipment
  - u. Silver plating and cutlery plant
  - v. Trucking or shipping terminal
  - w. Used car lot
  - x. Warehouse
  - y. Wholesale establishment
  - z. Winery





# Premium Industrial Land

12.99 ACRES

Thorold Stone Road, & Stanley Avenue, Niagara Falls, ON

## NIAGARA REGION OVERVIEW

### LOCATION ADVANTAGE

Strategically situated between Canada's largest city and one of the most populous regions of the United States, Niagara is located within 800 km (500 miles) of 130 million people. Drawn to this ideal location, more than 120 companies from around the globe have chosen Niagara.

Niagara Falls, Canada is a dynamic internationally renowned city with a prosperous business community growing from a diverse economic base that includes - tourism, manufacturing, professional services and commercial sectors. Small businesses and multi-national companies are meeting their corporate goals through establishing and expanding their operations in the City of Niagara Falls.

Niagara plays a critical role in the successful flow of goods, services and people between Canada and the United States. With over \$100 billion worth of trade making its way through the region each year, it's no wonder Niagara was Ontario's first designated Foreign Trade Zone.

### WORKFORCE

With a population of 450,000 and an accessible labour market of over a million workers within commuting distance, Niagara can meet the need for almost any type of skilled labour. Hassle-free Nexus Pass border crossings create opportunities to recruit from the US. The extension of daily rail routes with GO Train service to Grimsby, St. Catharines and Niagara Falls means that within just a few more years Niagara's cities will be an easy ride away from one of North America's top tech talent pools.

### NIAGARA GO TRAIN EXPANSION

Metrolinx extended weekend GO train service between Niagara Falls and Toronto, which for years had been seasonal, year-round. The Monday-to-Friday service began Jan. 7, 2019, between Niagara Falls and Toronto, with a stop in St. Catharines.

Source: [niagaracanada.com/niagarafalls.ca](http://niagaracanada.com/niagarafalls.ca)





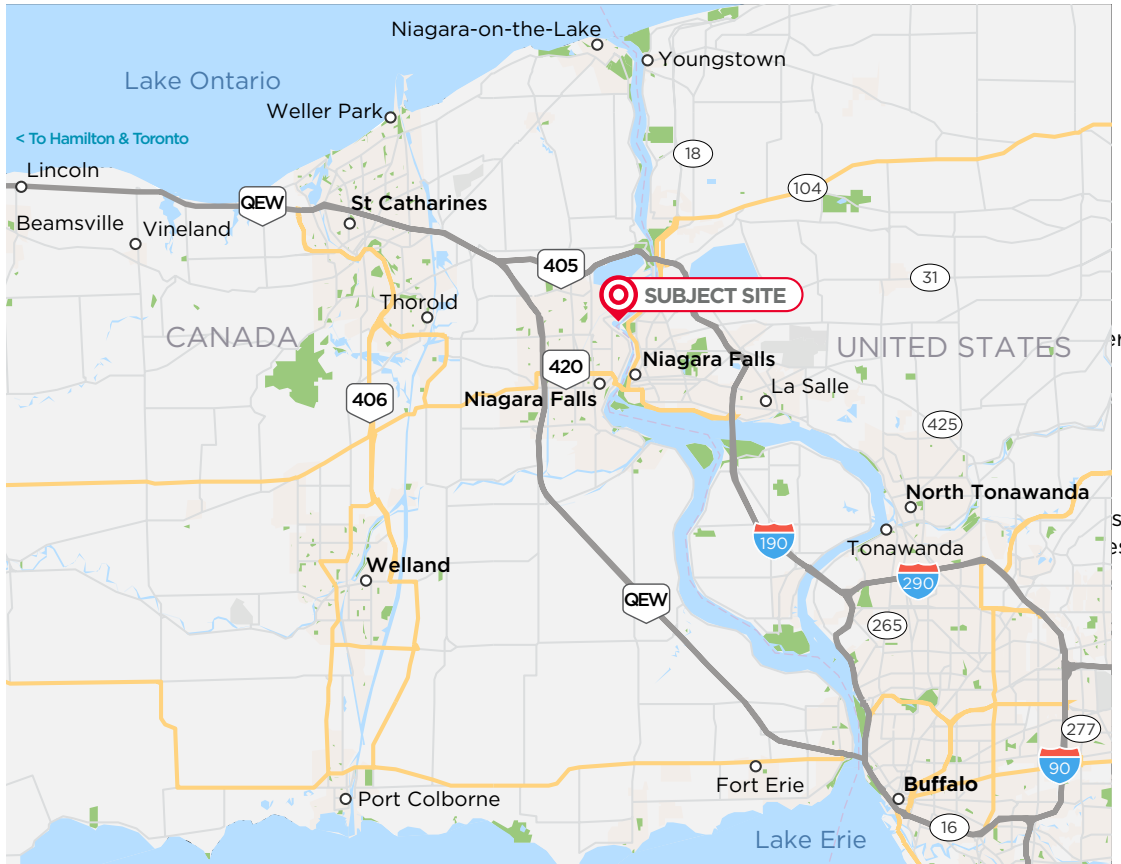
# Premium Industrial Land

12.99 ACRES

Thorold Stone Road, & Stanley Avenue, Niagara Falls, ON



## LOCATION MAP



## OFFERING GUIDELINES

- Cushman & Wakefield (the “Advisor”) has been retained by Solvay/Cytec Canada Inc. (“Vendor”) to be the exclusive Advisor for the potential disposition of the Thorold Stone Road, & Stanley Avenue site, Niagara Falls, Ontario (the “Property”).
- Following execution of a Confidentiality Agreement (“CA”), interested buyers will be provided with additional property information via access to an online data room that includes full due diligence information for the property.
- A Vendor’s form of offer will be provided to all interested parties.
- The offer process will be disclosed at a later date to those that have signed the CA

### Trevor Henke\*

Vice President, The Land Group  
Direct Tel: 416 756 5412  
trevor.henke@cushwake.com

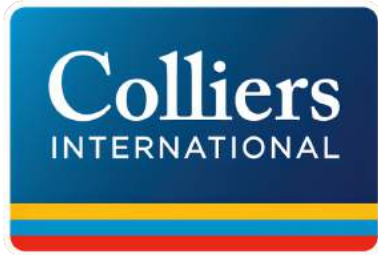
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\*Sales Representative \*\*Broker

[cushmanwakefield.com](http://cushmanwakefield.com)

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# Appraisal Report

## *Short Narrative*

Of the Vacant Commercial/Industrial Land located at the Southeast Corner of Thorold Stone Road and Stanley Avenue, Niagara Falls, Ontario

**Prepared for** Landx Developments Ltd. and 1939522 Ontario Limited

**Prepared by** Owen Hughes, B.Sc., AACI, P.App

**Email:** owen.hughes@colliers.com

**Effective Date:** November 13, 2017

**Colliers International Niagara Limited** (A Division of Colliers International Niagara Ltd.)

82 Lake Street, Suite 200, St. Catharines, Ontario, Canada, L2R 5X4

**Phone:** 905-354-7413 **Fax:** 905-354-8798 [www.collierscanada.com](http://www.collierscanada.com)

Colliers International Niagara Limited, Brokerage

December 7, 2017

Landx Developments Ltd. and 1939522 Ontario Limited %  
293-1235 Fairview St.  
Burlington, ON L7S 2K9

**ATTENTION: Mr. Tim Collins**

**Re: Short Narrative Appraisal Report of the Vacant Commercial/Industrial Land located at the Southeast Corner of Thorold Stone Road and Stanley Avenue, Niagara Falls, Ontario**

In accordance with your request, herein contained is a short narrative appraisal report as to the current market value of the above indicated subject property as of the effective date November 13, 2017.

I have personally inspected the subject property and carried out an analysis of factors considered pertinent to the valuation. As a result of the investigation, the following estimate of current market value has been arrived at, subject to the following Assumptions and Limiting Conditions (totalling 19), which should be read prior to examining the report.

**Estimated Current Market Value (Rounded) = \$6,525,000 (\$400,000/acre)**

*Attention is drawn to the Extraordinary Assumptions and the Terms of Reference.*

This report is intended for use only by members of Landx Developments Ltd. and 1939522 Ontario Limited. Use of this report by others is not intended by the appraiser, and any liability in this respect is strictly denied.

The above estimated market value is based on an exposure period of six to nine months based on a brief review of comparison sales and listings considered for this report. The estimate of market value is in terms of cash (Canadian dollars) or financial arrangements comparable thereof.

As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute of Canada.

This report contains 48 pages, including the author's CV.

Respectfully Submitted,



Owen Hughes, B.Sc., AACI, P.App  
Senior Appraiser, Partner, Colliers International Niagara Ltd.



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## Underlying Assumptions and Limiting Conditions

This appraisal has been conducted on the basis of the following Assumptions and Limiting Conditions.

- 1) This report is prepared at the request of Landx Developments Ltd. and 1939522 Ontario Limited, the intended use of which is to assist with an internal valuation. It is not reasonable for any person to rely upon this appraisal without first obtaining written authorization from Colliers International Niagara Limited. The report is prepared on the assumption that no other person will rely on it for any other purposes and that all liability to all persons is denied. Any use which a third party makes of this report, or any reliance or decisions to be made based upon it, are the responsibility of such third parties. Therefore, the appraiser(s) accept no responsibility for damages, if any suffered by any third party as a result of decisions made or actions based on this report. Further, the appraiser denies the responsibility and use by any other future owner.
- 2) While expert in appraisal matters, the author is not qualified and does not purport to give legal advice. It is assumed that:
  - a legal description as furnished by the Land Registry Office is correct
  - the title to the property is good and marketable
  - there are no encroachments, encumbrances, restrictions, leases or covenants that would in any way affect the valuation, except as expressly noted herein;
  - right of way, easements or encroachments over other real property and leases or covenants noted herein are legally enforceable.

Because these assumptions have been made; no investigation, legal or otherwise, has been undertaken which would verify these assumptions, except as expressly noted herein. It is assumed that title to the property is good and marketable and there are no encumbrances that cannot be cleared through the regular processes. The appraiser cannot accept any responsibility for matters that are of a legal nature, nor is any opinion on the title of the properties rendered herewith.

- 3) This appraisal is to be used in its entirety and not in part or segmented for any purpose. No part of it shall be used in conjunction with any other appraisal or market study.
- 4) Market data has been obtained in part from the registry office and local real estate boards. As well as using such documented and generally reliable evidence of market transactions, it was also necessary to rely on hearsay evidence. Except as noted herein, a reasonable attempt has been made to verify all such information. Any information that has been supplied by other persons for this appraisal is believed to be accurate and reliable and has been investigated to the best of your appraiser's ability. However, the appraiser cannot accept any responsibility as to the accuracy of such information.
- 5) All copyright of this report is reserved to Colliers International Niagara Limited and this report is considered confidential by Colliers International Niagara Limited. This report or any copy of this report thereof does not carry with it the right of reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, without the prior written consent and approval of Colliers International Niagara Limited as to the purpose, form and content of any such disclosure, quotation or reference. No part of it shall be used in conjunction with any other appraisal or market study without the prior written consent and approval of Colliers International Niagara Limited. Without limiting the generality of the above, neither all nor part of the contents of this report shall be disseminated to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum, or in any documents filed with any governmental agency without the prior written consent and approval of Colliers International Niagara Limited as to the purpose, form and content of such dissemination, disclosure, quotation or reference.

- 6) Compensation for services rendered in this report does not include a fee for court preparation, or court appearance, which must be negotiated separately. The appraiser, herein, by reasons of this appraisal, is not required to give testimony in court with reference to the property hereby appraised, unless previous arrangements have been made with this appraiser. It is noted that this appraisal has not been prepared for court or Revenue Canada purposes, and may have to be upgraded to a Narrative court level report to be used for such a purpose.
- 7) The estimate of market value herein contained further assumes that there are no outstanding work orders, liens or mortgages against the property and that there are no property tax arrears.
- 8) The appraiser(s) herein is not a structural or mechanical engineer or quantity surveyor, therefore, any comments and opinions in these areas and cost estimations are subject to verification by these respective professionals. A survey was provided and will be relied upon in this report. Sketches, drawings, diagrams, photographs etc. are presented in this report for the limited purpose of illustration and are not to be relied upon in themselves. The subject land area is subject to verification by a surveyor.
- 9) The estimate of market value herein contained is further conditional upon there not being any easements or rights of way over the subject property that would adversely affect any proposed redevelopments or additions, unless otherwise stated.
- 10) No investigation has been undertaken with the local zoning office, the fire department, the building inspector, the health department or any other government regulatory agency unless such investigations are expressly made in this report. The subject property must comply with such government codes, property standards bylaws, fire regulations, and other pertinent regulations and, if it does not comply, its non-compliance may affect the market value herein contained. To be certain of compliance, further investigations may be necessary.
- 11) The estimate of market value is further conditional upon the subject site being "environmentally clean," and having no toxic chemicals, tanks, wastes, substances or contaminants located in the soil. No soil or geotechnical tests have been done. It is assumed that there are no patent or latent defects in the improvements of the parent subject and comparable properties, that no hazardous or objectionable materials such as asbestos, PCB's are present, and that they are structurally sound and in need of no immediate repairs, unless expressly noted in this report. If any of the above should exist it will adversely affect the market value herein contained and said estimate will not be valid. Your appraiser takes no responsibility or liability for these matters as it is beyond the scope of an appraisal.
- 12) The herein-contained estimate of market value is developed as of a specific effective date and reflects the market conditions as of that date. Subsequent changes in the marketplace relative to the economy (i.e. interest rates, etc.) changes in laws or government regulations etc. can impact on real estate values either positively or negatively. Therefore, the herein-contained estimate of market value cannot be guaranteed beyond the effective date.
- 13) The client has requested that the report be prepared upon a limited format and that a short narrative report be prepared. The presentation and level of content and data in a short narrative report is less than in a narrative report. The client has been apprised of, and has agreed to a short narrative level of presentation. It is noted, however, that this report has not been prepared to a court, tribunal, arbitration or forensic level.
- 14) The appraiser is not qualified to comment on environmental issues that may affect the market values of the properties appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to mould or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government or otherwise, and free of any environmental condition, past, present or future, that might affect the market values of the properties appraised. If the party relying on this report requires information about

environmental issues then that party is cautioned to retain an expert qualified in such issues. I expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

- 15) The client acknowledges that they have engaged Colliers International Niagara Limited to provide appraisal/consulting services. They acknowledge that in the course of this engagement Colliers International Niagara Limited will provide you with certain confidential personal information. The client hereby gives consent to the collection, use and disclosure by you of personal information but only in the manner, for such purposes and for such time as are set out in your Privacy Policy and for no other reason or uses except as may be required by law. Specifically, we consent to the inclusion of such personal information in your database for future use in performing comparative valuations of properties provided that any information identifying a particular individual is deleted from your records. Such information includes specifically the name of any particular individual and the street address number relating to an individual.
- 16) The report is only valid if it contains the original signature of the author.

## Extraordinary Assumptions & Limiting Conditions

- 17) The subject property is noted as Parcel A in the Site Map provided by the client, and is assumed to include the current lands owned by the Regional Municipality of Niagara, noted to be deemed surplus as per the Corporate Service Committee report, with the total subject property area noted as 16.31 acres.
- 18) As per discussions with the client, for the objective of this report, the appraiser assumes the subject property has a Record of Site Condition (RSC). It is assumed the subject property does not have any cost sharing fees payable with regards to future servicing of the immediate area. The appraiser reserves the right to alter the final estimate of market value if this is later found to be inaccurate.
- 19) For the objective of this report, it is assumed the bearing capacity of the land is adequate to permit future commercial/light industrial development, without undue and costly site preparations, and the subject property does not require any archaeological, traffic, environmental, or noise studies that will delay the draft plan approval process or create abnormal costs. The appraiser reserves the right to alter the market valuation if this assumption proves to be inaccurate.

# Exterior Photographs of the Subject Property

Photographs taken November 13, 2017



STANLEY AVENUE FRONTAGE



STANLEY AVENUE FRONTAGE



THOROLD STONE ROAD FRONTAGE



THOROLD STONE ROAD FRONTAGE

# Executive Summary

**Address/Location** Southeast Corner of Thorold Stone Road and Stanley Avenue, Niagara Falls, Ontario

**Registered Owner** 1939522 Ontario Limited

**Property History** A cursory review of title information has revealed that the subject property last transferred together with the property to the immediate east (PIN 64269-0511) for the combined consideration of \$1,700,000, indicating a purchase price of \$22,196/acre based on a combined 76.59 acres. The appraiser is not aware of the subject property being currently listed for sale, or being subject to any outstanding agreements of purchase and sale.

**Site Description:**

Site Area	16.31 acres
Shape	Irregular
Dimensions	867 feet (Stanley Ave) by 855 feet (Thorold Stone Rd)
Topography	Flat and level
Services	Full municipal services are available

**O.P. Designation** Industrial

Subject is located within a Niagara Gateway Economic Zone and Centre Community Improvement Plan (CIP) area.

**Zoning** LI - Light Industrial Zone

**Highest & Best Use** The Highest and Best Use of the subject property is considered a development for commercial/light industrial uses.

**Effective Date** November 13, 2017

**Final Estimate of Market Value:** \$6,525,000 (\$400,000/acre)

*Attention is drawn to the Extraordinary Assumptions and the Terms of Reference.*



# Preface and Definitions

## Purpose of the Appraisal

The purpose of the appraisal is to estimate the current market value of the herein described subject property as of the effective date.

## Intended use of the Appraisal

The intended use (function) of the appraisal is to assist with an internal valuation.

## Effective Date of the Appraisal

The effective date of the appraisal is November 13, 2017.

## Timeframe of Value Opinion

The appraisal report is based on a Current Value Opinion. CUSPAP (2016) provides the following definition for a Current Value Opinion:

Current Value Opinion refers to an effective date contemporaneous with the date of the report, at the time of inspection or at some other date within a reasonably short period from the date of inspection when market conditions have not or are not expected to have changed.

## The Date of Inspection

The subject property was inspected on November 13, 2017.

## Scope of the Appraisal

### Inspection

The inspection of the subject property involved a brief drive by of the site. The City of Niagara Falls was contacted and verbal information was obtained as to the zoning, Official Plan designation, and services of the subject property. The appraiser has also performed a cursory review of title information.

### Analysis Description

The appraiser conducted a Highest & Best Use analysis considering the physical characteristics and land use regulations governing the subject property. The appraiser then collected comparable data based on the Highest & Best Use conclusions. This process involved a search via the Niagara Real Estate Board computer system (MLS sales and listings), internet searches via

Geowarehouse and RealTrack databases, a review of the existing Colliers International database, and discussions with other realtors and appraisers.

As this is a short narrative report, portions of the data collection process have not been performed. The comparable properties were not individually inspected. Verification of every sale has not been made, aside from previous registry office work. It is further noted that parties to the transactions were not necessarily contacted. It is noted that within a narrative report, verification of each sale at the land registry office would be conducted, each sale would be inspected on an external basis (sometimes internally), and an attempt to talk to each of the purchasers, vendors or agents involved would be made.

Given the type of property appraised, the Direct Comparison Approach to Value was considered applicable. The most accepted form of analysis within the Direct Comparison Approach is considered to be the Price per Acre Method. From the comparable data obtained, adjustments were made to the comparable properties to ultimately form an appropriate range in value for the subject property. This range in value was narrowed to form a single-point estimate of market value.

## Data Research

In the course of the investigation process of this report, information was obtained from the following sources:

- The Municipal Property Assessment Corporation (MPAC)
- Niagara South & North Land Registry Offices
- The applicable city's Planning & Engineering Departments
- The Appraisal of Real Estate, Third Canadian Edition, 2010
- Various area real estate offices/agents/appraisers
- Various developers within the commercial and industrial submarkets
- Multiple Listing Service (M.L.S.)
- Geowarehouse Information Services - Ontario
- RealTrack Database
- Real Net Database
- Colliers International database
- Client

## Audits and Technical Investigation

The appraiser did not complete or review technical investigations, such as:

- An environmental review of the property
- A title search (although a brief title review was conducted)



# Identification of Subject Property

The subject Parcel A is noted to be a portion of the larger parent parcel, described below.

*Address*

Southeast Corner of Thorold Stone Road and Stanley Avenue, Niagara Falls, Ontario

*Current Registered Owner*

1939522 Ontario Limited

*Legal Description*

PT TWP LT 59 STAMFORD PT 3 - 5 59R3255 (SURFACE RIGHTS ONLY); PT TWP LT 74 STAMFORD PT 5 - 17, 20 & 21 59R3255 (SURFACE RIGHTS ONLY); PT TWP LT 76 STAMFORD AS IN RO696084 (PCL 2); PT RDAL BTN TWP LT 73 & 74 STAMFORD (AS CLOSED BY UNREGISTERED BYLAW #2) PT 18 59R3255 ELEVATION AS IN RO694052; PT RDAL BTN TWP LT 74 & 76 STAMFORD (AS CLOSED BY BYLAW ST19864) PT 3 59R8858 S/T RO694052 RO359853 & RO361764, SAVE AND EXCEPT PTS 4, 5, 6, 7 PL 59R-15336 CITY OF NIAGARA FALLS

*Property Identification No.*

64269-0579

*PIN Map*



## Assessment Information

ARN

272501001118401

Phased-In Value	Assessed Value
\$13,125	\$27,000
2017 Tax Year	Based on Jan 1, 2016

Frontage:	N/A	Description:	Vacant industrial land
Depth:	N/A	Property Code:	106

## Sales History

Sale Date	Sale Amount	Type	Party To	Notes
Nov 30, 2015	\$2	Transfer	1939522 ONTARIO LIMITED;	See Notes 1
Oct 16, 1995	\$0	Transfer	CYTEC CANADA INC.;	
Sep 01, 1995	\$150,000	Transfer	CYTEC CANADA INC.;	

Notes :

- The following Pins were transferred together with the subject Property  
642690511

## Subject Property History

A cursory review of title information has revealed that the subject property last transferred together with the property to the immediate east (PIN 64269-0511) for the combined consideration of \$1,700,000, indicating a purchase price of \$22,196/acre based on a combined 76.59 acres.

The appraiser is not aware of the subject property being currently listed for sale, or being subject to any outstanding agreements of purchase and sale.

It is noted that only a cursory review of title has been conducted as part of this short narrative report. It is stressed that your appraiser is not a professional title searcher and that the subject property has been valued on the basis of it not being encumbered. A professional title search goes beyond the scope of the appraisal.

## Definition of Market Value

Market Value can be defined as the most probable sales price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller each acting prudently and knowledgeably, and assuming the price is not affected by undue stimulus.

Implicit in the above definition are the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

1. buyer and seller are typically motivated
2. both parties are well informed or well advised, and each acting in what they consider in their own best interests
3. a reasonable time is allowed for exposure on the open market
4. payment is made in cash or in terms of financial arrangements comparable thereto; and
5. the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale

An understanding of the most likely segment for the investment submarket capable of bidding on the property is essential. Appraisers study the motivations of the potential buyer group that will exert the greatest pressure on the price structure.

## Terms of Reference

The client has indicated that a brief/short narrative appraisal report is sufficient for their needs. As a result, it is necessary to apply Extraordinary Assumptions and Limiting Conditions as outlined above in the Assumptions and Limiting Conditions sector of the report. The client has been apprised of, and has agreed to the limitations of such a report. Within a short narrative report only a brief review of comparable data is conducted for both the Direct Comparison Approach and the Income Approach to Value. This is a departure from the Describe & Analyze, Appraisal Procedures, Reasoning, and Review & Reconcile standards of the Canadian Uniform Standards.

## Definition of Land

Land may be defined as:

“land includes any estate, term, easement, right or interest in, to, over or affecting land” Ontario Expropriations Act  
1968-69 Section 1 (1) Subsection (g)

## Definition of Fee Simple

Fee Simple can be defined as the highest form of real property ownership, an absolute fee without limitations to a particular class of heirs, however, subject to the restrictions of eminent domain, escheat, police power and taxation.

## Definition of the Leased Fee Interest

The leased fee estate or interest is similar to the Fee Simple Estate in that title belongs to the landlord, but some of the Bundle of Rights, including the right use and occupancy, have been conveyed to others by a lease for the definite period.

## Property Rights Appraised

The property rights appraised are the Fee Simple interest in the subject property.

## Current Use of the Subject Property

The subject property is currently vacant land.

## Buyer Profile of the Subject Property

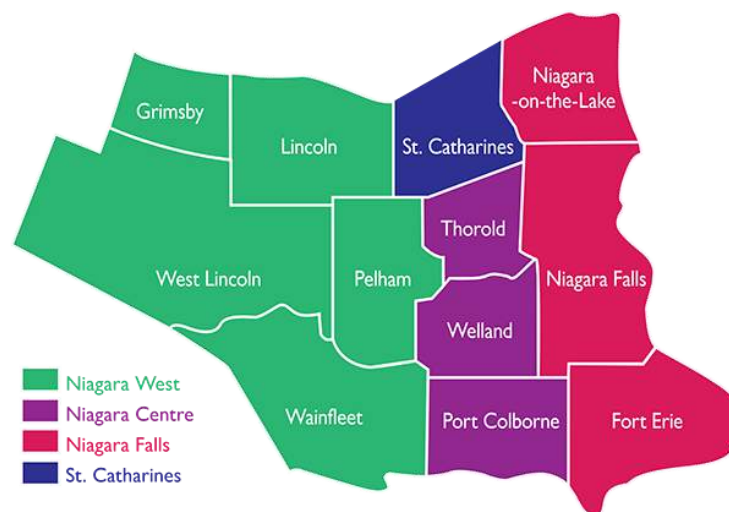
The buyer profile typical for the subject property is likely a land developer.

# City, Neighbourhood and Subject Property Data

## Location and Infrastructure

The City of Niagara Falls is located between Lakes Ontario and Erie and borders Niagara Falls, New York. The location of the city is such that 120 million consumers are only a one day's drive away. Niagara Falls is accessible by Ontario's major highway system via the QEW, with major interchange access points including Thorold Stone Road, Hwy. 420 and McLeod Road. Rail transportation is also available, as is water transportation via the Welland Ship Canal, which is only a short drive away. A regional airport is located in Niagara-on-the-Lake, which has turned its operations over to a new private management team.

## Regional Map



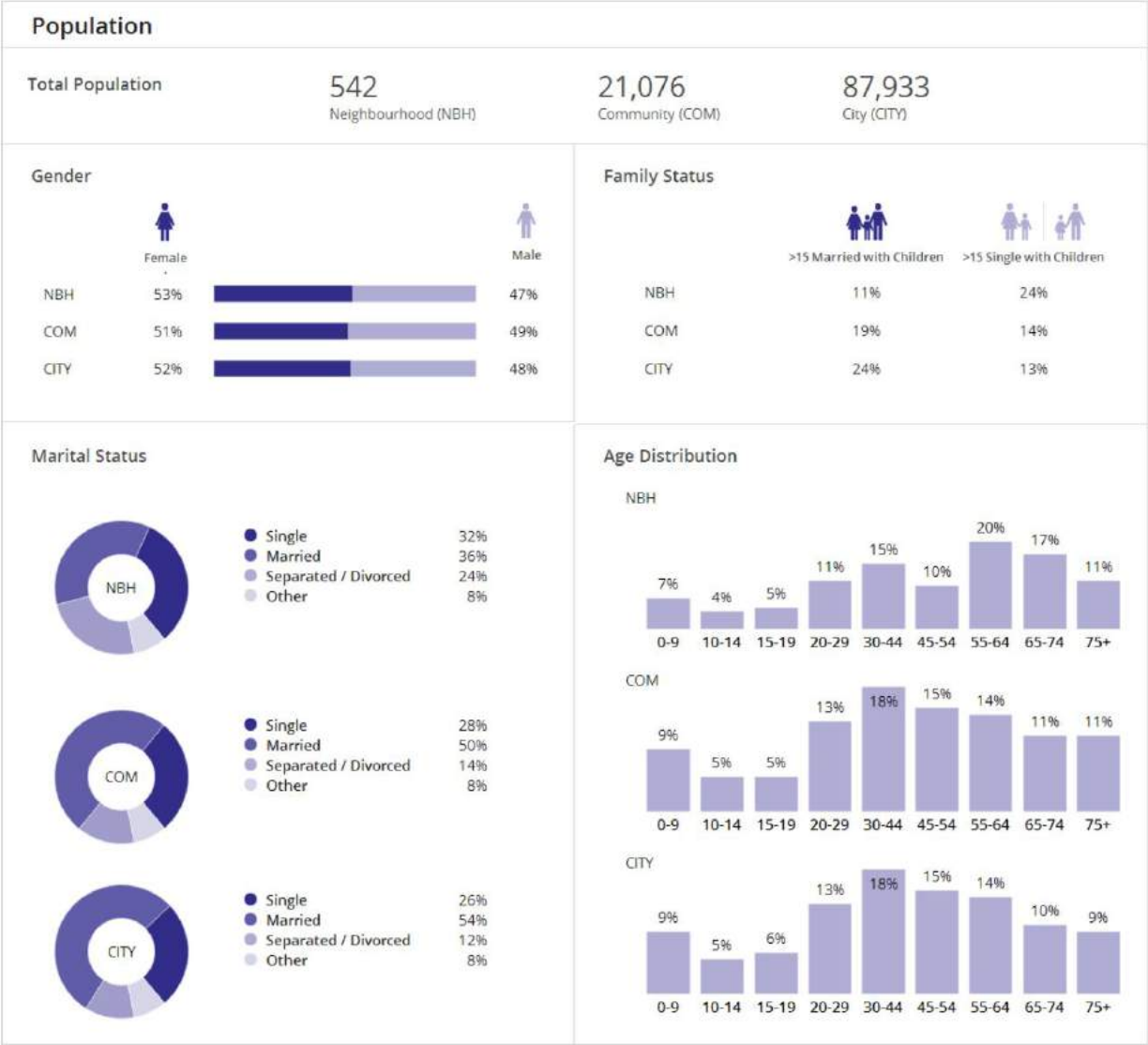
## Population

The City of Niagara Falls has a population of approximately 88,071 people (2016 census). The population growth from 2006 to 2011 was 1.0%, and from 2011 to 2016 was 6.11%, which was above the overall Provincial population growth of 4.6%, and above the Regional population growth of 3.83%.

**Niagara Region  
Population Statistics 1996-2016**

<b>Municipality</b>	<b>1996</b>	<b>2001</b>	<b>2006</b>	<b>2011</b>	<b>2016</b>	<b>% Change 2011 - 2016</b>
Fort Erie	27,183	28,140	29,925	29,960	30,710	2.50%
Grimsby	19,585	21,295	23,937	25,325	27,314	7.85%
Lincoln	18,801	20,610	21,722	22,487	23,787	5.78%
Niagara Falls	76,917	78,815	82,184	82,997	88,071	6.11%
Niagara-on-the-Lake	13,238	13,840	14,587	15,400	17,511	13.71%
Pelham	14,393	15,275	16,155	16,598	17,110	3.08%
Port Colborne	18,451	18,450	18,599	18,424	18,306	-0.64%
St. Catharines	130,926	129,170	131,989	131,400	133,113	1.30%
Thorold	17,883	18,045	18,224	17,931	18,801	4.85%
Wainfleet	6,253	6,260	6,601	6,356	6,372	0.25%
Welland	48,411	48,405	50,331	50,631	52,293	3.28%
West Lincoln	11,513	12,265	13,167	13,837	14,500	4.79%
<b>Totals</b>	<b>403,554</b>	<b>410,570</b>	<b>427,421</b>	<b>431,346</b>	<b>447,888</b>	<b>3.83%</b>

Source: Statistics Canada



## Employment

### Top 14 Private Employers in Niagara Falls

NAME	YEAR ESTABLISHED	PRODUCT OR SERVICE	SECTOR	EMPLOYEES
Casino Niagara and Niagara Fallsview Casino Resort	1996	Gaming	Tourism	4,335
Canadian Niagara Hotels	1993	Hospitality	Tourism	1,800
Fallsview Group	1965	Hospitality	Tourism	1,188
Hospitality Motels Ltd.	1964	Hospitality	Tourism	960
HOCO Ltd.	1958	Hospitality	Tourism	900
Minacs Aditya Birla Call Centre	2006	Call Centre	Professional Service	600
Great Wolf Lodge	2006	Hospitality	Tourism	580
Marineland of Canada Inc.	1961	Amusement Park	Tourism	550
Skylon Tower	1965	Hospitality	Tourism	452
Marriott Fallsview Hotel	1998	Hospitality	Tourism	450
Sheraton Fallsview	1990	Hospitality	Tourism	450
Post Foods Canada Corp. (formerly Kraft Canada Inc.)	1904	Cereals	Manufacturing	200
Hatch Energy	1924	Engineering	Engineering	200
E.S. Fox Limited	1934	Mechanical & Electrical Contracting	Manufacturing	100
<b>TOTAL</b>				<b>12,765</b>

DATA SOURCE: CITY OF NIAGARA FALLS, 2011

The top nine private employers in the City are noted to be in the tourism industry. Some of the top employers in the public sector are also directly related to tourism [see table below], with the top public employer being the Niagara Parks Commission. It is noted, this data does not include the numerous private tourist-related businesses that are located in Niagara Falls.

### Top 12 Public Employers in Niagara Falls

NAME	EMPLOYEES	SETOR
Niagara Parks Commission	1,655	Ontario Parks
Greater Niagara General Hospital	950	Health Service
District School Board of Niagara	800	Education
Niagara Catholic District School Board	534	Education
Corporation of the City of Niagara Falls	534	Municipal Government
Canadian Border Services Agency	400	Custom and Immigration
Ontario Power Generation	290	Utilities
Niagara Regional Police - Niagara Falls	158	Government Services
District Niagara Support Services	150	Social Services
Niagara Falls Bridge Commission	150	Bridge and access administration
Niagara Falls Public Library	94	Library Services
Canada Post	87	Postal Service
<b>TOTAL</b>	<b>5,802</b>	

DATA SOURCE: CITY OF NIAGARA FALLS



## Facilities and Services

Niagara Falls offers all amenities to city residents including primary and secondary educational facilities, medical facilities, shopping, churches, and recreational opportunities. Post-secondary education facilities are located in nearby St. Catharines and Welland. Niagara Falls has one hospital located at the corner of Portage Road and North Street. A new regional hospital in St. Catharines recently commenced patient care. On January 13, 2014 the Provincial Government along with the Niagara Health System (NHS) announced a \$26.2 million planning grant towards the exploration of a new south Niagara Hospital at the corner of Montrose Road and Lyon's Creek Road. The grant will also go towards the exploration of two additional Urgent Care facilities in South Niagara. The objective of the grant is to determine the size of the facility including the number of beds and the types of services that will be offered. The grant was supported by the Progressive Conservative Party along with the New Democratic Party (NDP) provided no other facilities in the Region are closed.

## Commercial Market

Local commercial activity [retail] is primarily concentrated in four areas; the old downtown area along Queen Street, Victoria Avenue/Ferry Street, Lundy's Lane, and Morrison Street at Dorchester Road. Some revitalization of the old downtown area was accomplished when the City Hall and police administration buildings were built. With the development of the permanent casino, at Murray and Buchanan, the "Fallsview" district has rapidly become the fifth commercial node.

The old downtown core is the only area of the City where office clustering exists. The re-tenanting of the former Ministry of Tourism building, referred to as the "Acres" building, with new tenants including Hatch Energy, RBC Dominion Securities, Casino Niagara and Manpower Temporary Services has helped to ease the downtown office vacancies. The future of this downtown core lies in a mix of residential and commercial intensification with a strong tourism/entertainment flavour; encapsulating a Niagara-on-the-Lake type development.

Several Queen Street properties underwent dramatic improvements in 2008. Historic Niagara Developments Inc. (HNDI) is a major property owner in the downtown core, and has been working with the Downtown Niagara Falls Board of Management, commonly known as the Business Improvement Area (BIA) and its membership of 100+ shops and services to promote downtown as a new commercial and cultural centre. The downtown core has experienced a recent influx of new arts and cultural attractions including several galleries, bistros, new media studios, and boutique shops. HNDI has offered very low introductory rent (in some cases free rent for one year) in order to attract tenants and increase occupancy in the commercial sector. The idea is to create a defined Arts and Culture District in the City. While this transition is only just beginning, it is expected to continue for the short term. Once full, or near full, occupancy is achieved, rents are anticipated to increase and the transition is completed.

A development group is involved in a concept plan to transform the east end of the downtown core area into a new downtown innovation hub, to include redevelopment of key existing properties, and development of new commercial, multi residential, and institutional properties, from low to high density. This will likely develop over the next 5-10 years.

# Neighbourhood Description

## Boundaries

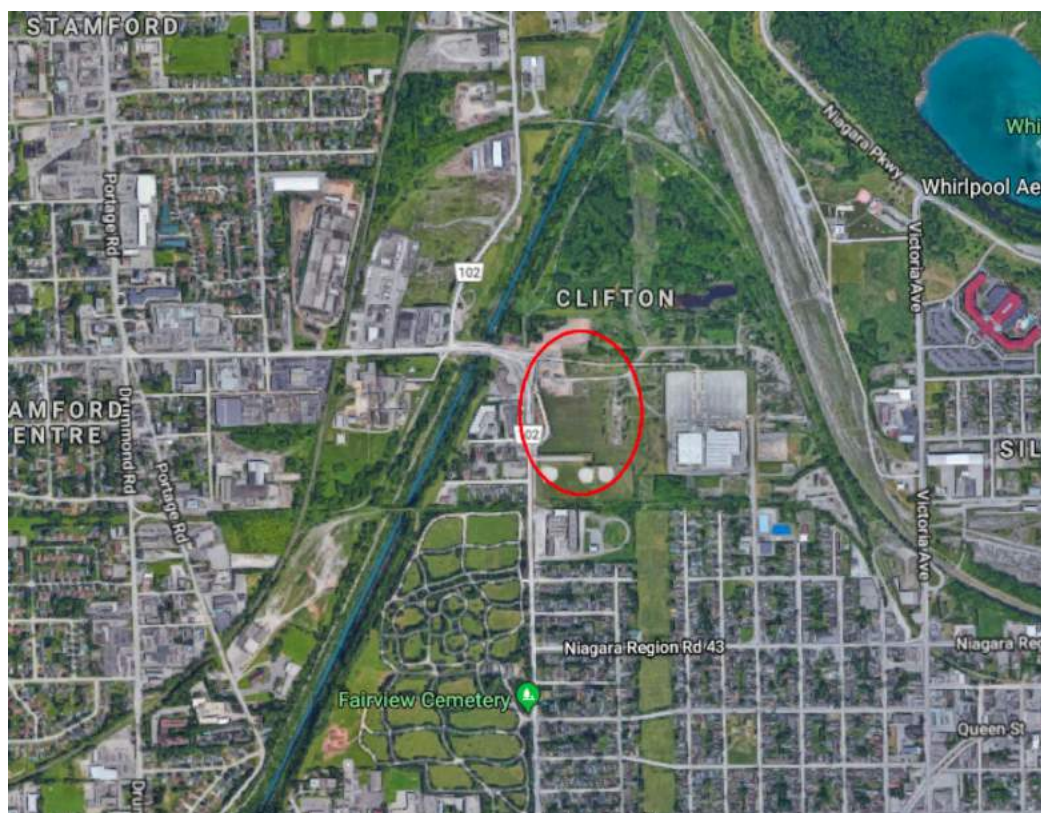
North: Thorold Stone Road and the Hydro

Canal South: Morrison Street

East: Victoria Avenue

West: Hydro Canal

## Neighbourhood Map



## Predominant Characteristics

The subject neighbourhood is an established commercial, industrial and residential area. The subject property is located within the Elgin Industrial Area, which features a mix of older/underutilized and newer industrial properties. The Gale Centre public arena is located adjacent to the east of the subject property.

The immediate area includes commercial uses offering a wide variety including retail, office, fast food, restaurant, and car dealerships. The balance of the area features older established residential developments offering low to medium density uses.

### Trends

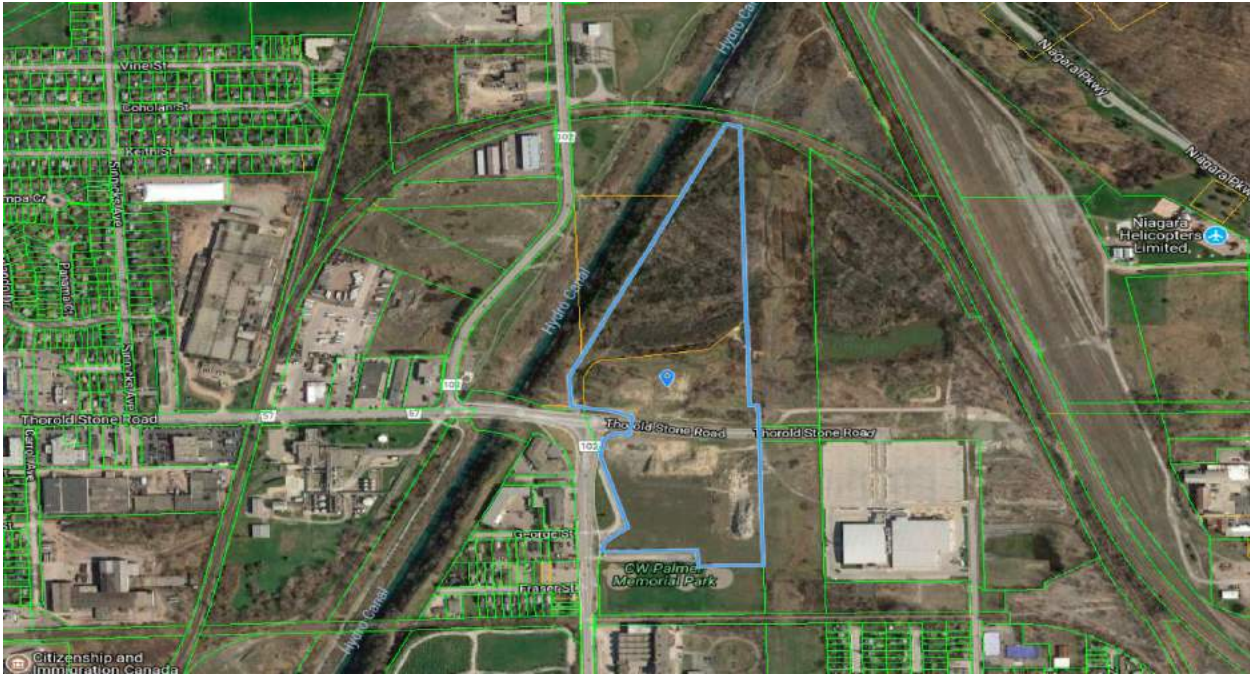
The subject neighbourhood is considered nearly fully developed with no adverse influences noted. Thorold Stone Road was recently extended to the Gale Centre, with future plans to extend to Victoria Avenue. The surrounding lands along this new Thorold Stone Road extension offer future development potential, and consist of the majority of remaining vacant development lands for the surrounding area.

### Immediate Neighbourhood Aerial Map





# Site Description



## Size, Shape and Area

The subject property is noted as Parcel A in the Site Map provided by the client, a copy of which is shown following the site description. The subject property is assumed to include the current lands owned by the Regional Municipality of Niagara, noted to be deemed surplus as per the Corporate Service Committee report, a copy of which is also shown following the site description. The following description relates to the subject property and does not include additional lands currently included in the parent parcel.

- Frontage: Approximately 867 feet along Stanley Avenue\*
- Depth: Approximately 855 feet along Thorold Stone Road\*
- Total Property Area: 16.31 acres \*\*
- Shape: Irregular
- Fronts onto: Stanley Avenue and Thorold Stone Road

\* Scaled using Niagara Navigator

\*\* As per Concept Plan - copy is shown following the site description

## Topography and Drainage

Property Slope:	Flat and level
Above or Below Road Grade:	Slightly above
Drainage Present:	Storm drains
Drainage Adequate:	Assumed yes

## Ingress, Egress and Parking

Access:	To be provided from both Stanley Avenue and Thorold Stone Road
Access Type:	n/a
Parking:	n/a
Parking Capacity:	n/a
Surface Condition:	n/a

## Easements and Rights of Way

The appraiser is not aware of any easements, registered or unregistered; however, the verification of easements and the discovery of other encumbrances to the Bundle of Rights is the subject of a title search, and goes beyond the scope of this report.

## Environmental Concerns

Unless otherwise stated in this report, the existence of hazardous substances, including without limitation, asbestos, polychlorinated biphenyls and / or petroleum leakage which may or may not be present on the property, or other environmental conditions, were not called to the attention of, nor, did the appraiser become aware of such during the appraiser's inspection. The appraiser has no knowledge of the existence of such materials on or buried within the property unless otherwise stated. The appraiser, however, is not qualified to test such substances or conditions. The value estimate is predicated on the assumption that there is no such condition on or in the property or in such proximity thereto, that would cause a loss in value. No responsibility is assumed for any such conditions, or for any expertise or engineering knowledge required to discover them. The client is urged to retain an expert in this field, if desired.

## Services

The subject location is afforded full municipal services. The site is also afforded hydroelectric power, natural gas, cable, and telephone services.

## Additional Site Improvements

The site currently includes chain link fencing and excess soils from site grading. The surplus land portion along Stanley Avenue currently includes a leased billboard sign.

## General Aspect and Appeal

- The total site size offers good development potential for a variety of commercial and light industrial uses.

- Good commercial exposure being located at the new signalized intersection of Stanley Avenue and Thorold Stone Road.
- The Gale Centre located to the immediate east provides consistent traffic due to regularly scheduled hockey games and practices, thereby offering good development potential for commercial uses.
- Eventual extension of Thorold Stone Road further east to connect with Victoria Avenue will increase the traffic volumes as this connector route will unlock this immediate north end of the City of Niagara Falls.
- As noted in the concept plan, the subject property could be developed with a new road extension from Thorold Stone Road, with severance potential for multiple smaller parcels, which would have strong demand given the location and overall potential size.

## Brief Improvement Description

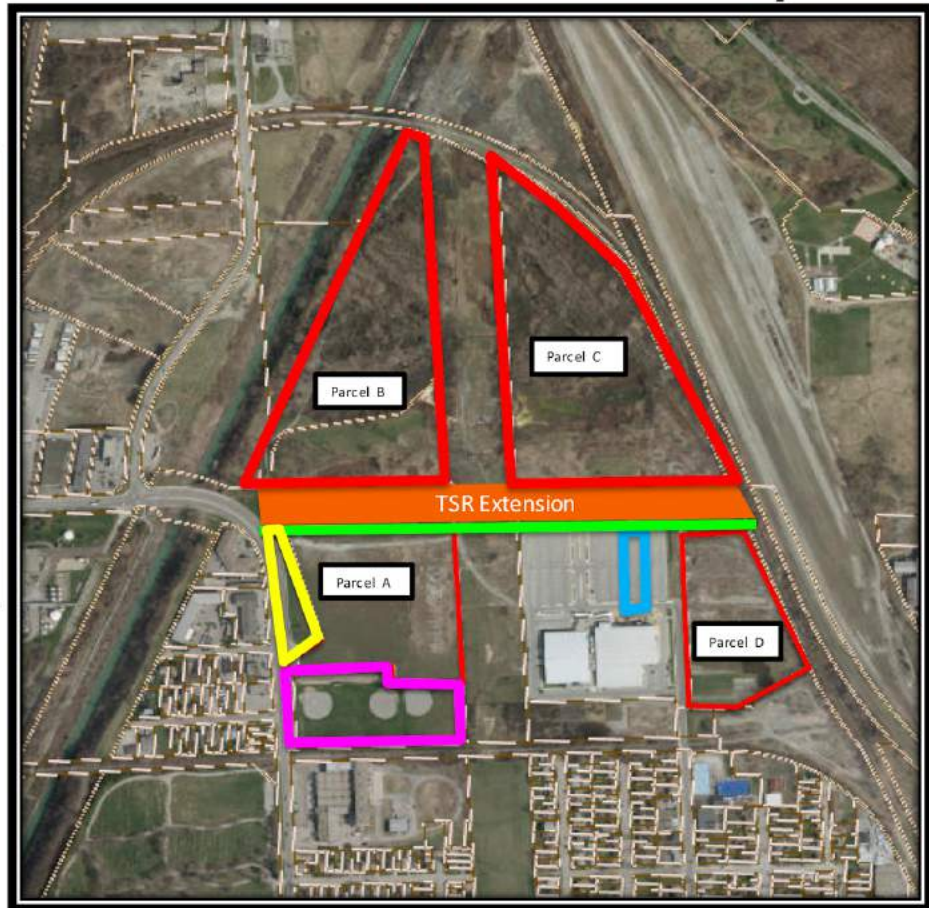

The subject property does not include any building improvements.

Site Map as provided by client

## Schedule A – Site Map

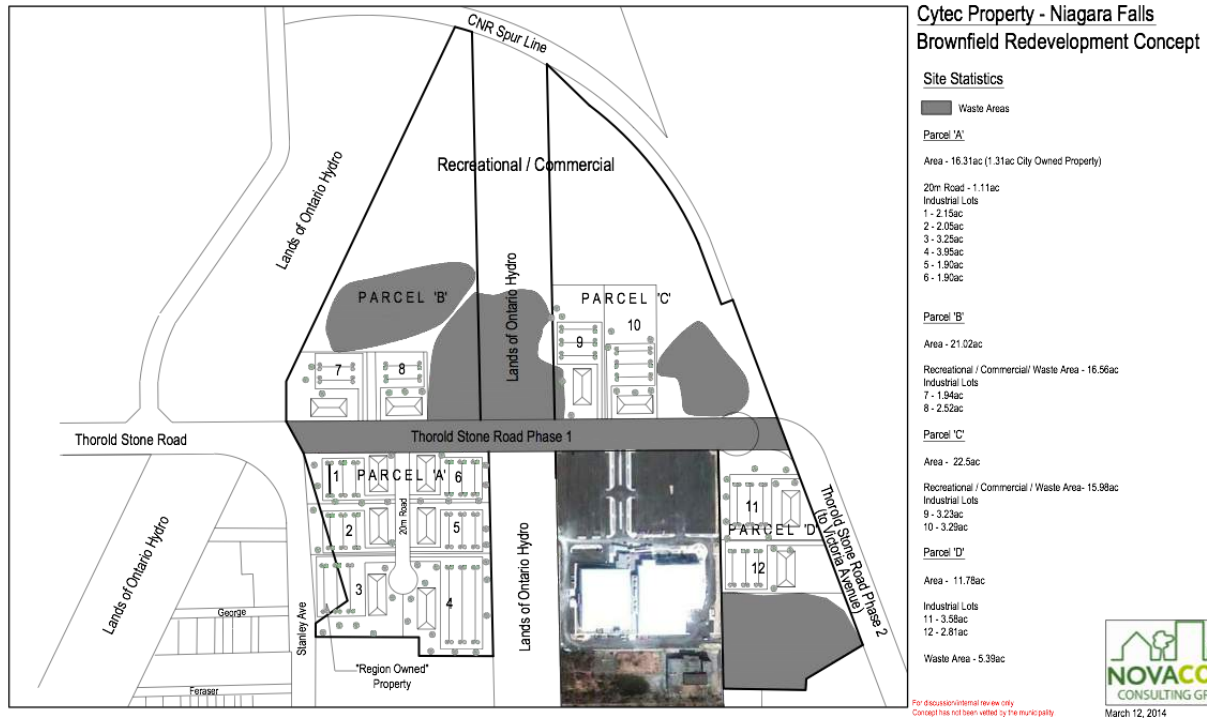
**LEGEND**

- Stanley Ave Parcel
- Constr. Easement
- 4<sup>th</sup> Avenue Material
- TSR Extension
- CW Palmer Park



Prepared exclusively for Landx Developments Ltd. and 1939522 Ontario Limited

# Concept Plan as provided by client





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**REPORT TO:** Corporate Service Committee

**MEETING DATE:** Wednesday, April 22, 2015

**SUBJECT:** Stop Up, Close, Declare Surplus and Dispose of a Portion of Regional Road 102 (Stanley Avenue) in the City of Niagara Falls

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#### RECOMMENDATIONS

1. That a portion of Regional Road 102 (Stanley Avenue) in the City of Niagara Falls, containing approximately 0.90 acres (3660 square metres more or less) (the "Lands") and as shown on attached Appendix 1 **BE APPROVED** to be stopped up and closed;
2. That Council **DELEGATE** to the Commissioner of Corporate Services the authority to declare the Lands surplus to the needs of the Region in his discretion and to sell in the manner, at such price and using the processes he considers appropriate in the circumstances;

#### KEY FACTS

- The proposed surplus road allowance has been deemed by Public Works Transportation Engineering to be surplus to the Regions needs for Regional Road 102 Stanley Avenue;
- Land that is deemed to be surplus to the Regions needs must be disposed of in accordance with by-law 26-2011 governing the declaration and disposal of surplus lands (the "Surplus Lands By-law).
- Public Works has completed the final design of Regional Road 57 Thorold Stone Road (TSR) extension and is discussions with the Owner and tenant of the proposed roadway lands for acquisition and construction of the TSR extension as more particularly reported on detailed in reports PW 81-2014 and PW 51-2014;
- Falls Community Development, has expressed interest in negotiating a transfer of the Lands as part of the negotiations for the TSR extension and The Region may desire the inclusion of the transfer of the Lands in its discussions with the Owner and tenant;
- The completion of the proposed TSR extension will require the release and/or transfers of interests in lands by each of Falls Community Development (FCD) and Cytec Canada Limited;

#### CONSIDERATIONS

## **Financial**

Disposal of the lands will reduce liability and future costs related to maintenance

The best case value for the Lands, based on appraisals obtained for the TSR extension lands would be \$90,000/acre (determined by Altus Group Inc.) but this valuation does not take into consideration various limiting factors including:

- the size of the parcel;
- the fact that the parcel will be subject to a one foot reserve along Regional Road 102 therefore is considered to be landlocked; and
- the potential for environmental contamination arising from its prior use as a road surface and the proximity to lands to Cytex Land governed by a Certificate of Property Use issued by the Ministry of the Environment.

Based on the above staff's internal valuation of the subject parcel is less than \$25,000 based on the limiting factors noted above;

Additionally it should be noted that the Region will lose billboard license revenue of approximately \$10,500 per annum as a result of the road construction.

## **Corporate**

The Commissioner of Public Works has confirmed that the closing of this portion of Stanley Avenue and its subsequent conveyance to the adjacent property owner are consistent with the negotiation principles that have been established for the extension of Thorold Stone Road and approved by Council. It should also be noted that an equivalent size and value of property was conveyed to the Region through a previous agreement in order to accommodate the construction of the new intersection of Thorold Stone Road and Stanley Avenue.

## **Governmental Partners**

The Region has been working in cooperation with the City of Niagara Falls to be able to acquire the lands for the TSR Extension project from the Owner and Tenant;

## **Public and/or Service Users**

The proposed TSR Extension will provide a more efficient access route into the Gale Centre Arena Complex and alleviate the burden of traffic in the residential area of Fourth Avenue in Niagara Falls;

## **ANALYSIS**

- The Region is currently reconstructing RR 102 Stanley Avenue from Valley Way to RR 57 Thorold Stone Road (Phase 1, 2 & 3). A new intersection of RR 102 and RR57 has been designed to accommodate the TSR extension and through an executed agreement with FCD and Cytec, the municipal infrastructure has been installed at the new intersection;
- The reconstruction of Stanley Avenue and construction of the TSR extension will result in surplus land along the road allowance being identified;
- The billboard sign currently located on the Lands will not be located in accordance with the Region's sign bylaw upon completion of Stanley Avenue reconstruction and Staff recommend its removal for that reason;
- The failure to stop up and close and delegate the authority requested herein could impede negotiations for completion of the TSR extension. The option of not completing the TSR extension will continue to exacerbate the traffic flow problems into the Gale Centre initially and into the downtown core and bus/train station in the future and may impede a timely response by emergency response crews (Fire, EMS or Police).

#### **ALTERNATIVES REVIEWED**

- Staff believe the best alternative, given the direction of Council arising from reports PW 81-2014 and PW 51-2014 are the recommendations contained herein and other alternatives were not investigated in detail.

#### **ORIGIN OF REPORT**

- This report is being brought forward as part of the ongoing process arising from the renovation of Stanley Avenue and discussions related to the TSR extension.

#### **OTHER PERTINENT REPORTS**

PW 81-2014 Thorold Stone Road Extension- Construction Agreement Signing Authority  
July 24, 2014

PW 51-2015 Thorold Stone Road Extension- Stage 1 Stanley Avenue to Gale Centre  
City of Niagara Falls April 1, 2014

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**SUBMITTED & SIGNED BY:**  
Maurice (Mo) Lewis, Commissioner of  
Corporate Services/Treasurer

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**APPROVED & SIGNED BY:**  
Harry Schlange  
Chief Administrative Officer

*This report was prepared by Rod Glaves, Real Estate Officer and reviewed by John Rizzo, PW Project Manager, in consultation with Sterling Wood, Legal Counsel.*

## Official Plan Description

Per the Planning Act, the Official Plan may be defined as

*A document approved by the Minister of Municipal Affairs and Housing, containing objectives and policies established to provide guidance for the physical development of a municipality while having regard to relevant social, economic and environmental matters.*

The purpose of an Official Plan is to provide a framework of public policy for the future development of a community. The maps and text will project the growth and planning needs for each community. The Official Plan does not directly dictate or regulate the use of private lands (as zoning by-laws do); it merely acts as a guideline. The Official Plan plays a major role in a redevelopment, rezoning or severance. Requirements are often reviewed and changed from year to year as it is necessary for the municipality to reassess the relevance of their plan. Hence there are provisions for amendments to the Official Plan when reasonable grounds exist.

According to Officials at the City of Niagara Falls, the subject property is located inside the urban boundary and currently designated as **Industrial** in the City's Official Plan.

## Zoning

Zoning By-laws may be defined as

*Documents approved by the local municipality, containing use restrictions, height maximums, floor area, coverage ratios, minimum lot size, minimum frontage & depth, number of parking spaces, access, side yards, setbacks, as well as other City objectives and policies in a specific area.*

Zoning by-laws provide for the day-to-day administration of local site-specific property regulations. These define what can take place in an area and how structures can be located on a site. Basically use restrictions that are designed to separate incompatible uses such as single-family residential directly adjacent to a large heavy industrial factory. Zoning policies can be changed, revised, or altered based on application to the appropriate Municipal Officials having approvals by Town Council.

According to the City of Niagara Falls, the subject property is currently zoned **LI - Light Industrial Zone**, as per By-law No. 2009-127. This zoning permits a broad range of industrial, service commercial, and institutional uses. A copy of By-law No. 2009-127 is provided on the following pages.

# By-law No. 2009-127

**Community Services Department  
Planning and Development**

NIAG FALLS CLERKS \*09 0918 12:09

## Inter-Department Memorandum

**TO:** Dean Iorfida  
Director of Council Services and City Clerk

**DATE:** September 14, 2009

**FROM:** Alex Herlovitch  
Director of Planning & Development  
Ext. 4231

**RE:** **Final Approval of By-law Nos. 2009-126, 2009-127, 2009-128, 2009-129 & 2009-130**  
**File No.: AM-2008-013**  
**Elgin Industrial Area**

The attached zoning by-laws were passed by City Council on August 10, 2009 and circulated to area property owners on August 21, 2009. No appeals were received.

I now attach my declaration that Notice of the Passing of the By-laws was given as required by the Planning Act and that no Notice of Appeal was filed within the time allowed. Under the circumstances, By-law Nos. 2009-126, 2009-127, 2009-128, 2009-129 and 2009-130 became effective on the day they were passed.

*Alex Herlovitch*

:gd  
Attach.

c: Ken Todd, Chief Administrative Officer  
Ken Beaman, City Solicitor  
K. Mech, Manager of Current Planning  
N. DeBenedetti, Sr. Zoning Administrator  
J. Castrilli, Director of Building & By-law Services  
S. Felicetti, Director of Business Development Services  
Penny Christie, Municipal Property Assessment Corporation  
J. Monteith, Monteith Brown Planning Consultants

*K. Mech*

S:\ZONING\AM\2008\AM-13\Bylawpassed.mcm.wpd

*Working Together to Serve Our Community*

Prepared exclusively for Landx Developments Ltd. and 1939522 Ontario Limited





CANADA )  
Province of Ontario )  
Regional Municipality )  
of Niagara )  
  
TO WIT: )

IN THE MATTER OF Subsection 34(22)  
of The Planning Act, and

IN THE MATTER OF By-law Nos. 2009-126,  
2009-127, 2009-128, 2009-129 and 2009-130  
of The Corporation of the  
City of Niagara Falls


I, ALEX HERLOVITCH, of the City of Niagara Falls, in the Regional Municipality of Niagara do solemnly declare that:

1. I am the Director of Planning and Development of The Corporation of the City of Niagara Falls and, as such, have knowledge of the facts herein declared;
2. That By-law Nos. 2009-126, 2009-127, 2009-128, 2009-129 and 2009-130 were passed by the Council of The Corporation of the City of Niagara Falls on the 10th day of August, 2009;
3. Written Notice of the Passing of By-law Nos. 2009-126, 2009-127, 2009-128, 2009-129 and 2009-130 was given on the 21st day of August, 2009, pursuant to Subsection 34(18) of The Planning Act.
4. No Notice of Appeal was filed with the City Clerk pursuant to Subsection 34(19) of The Planning Act, within the time allowed for appeal, namely within 20 days from the date of the written Notice of the Passing of the By-law;
5. The decision of Council and the passing of the by-law is therefore final and binding and the by-law is deemed to come into effect on the day that it was passed;

AND I make this solemn Declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

Declared before me at the City )  
of Niagara Falls )  
in the Regional Municipality )  
of Niagara )  
this 14th day of September, 2009. )

  
\_\_\_\_\_  
ALEX HERLOVITCH

  
\_\_\_\_\_  
A Commissioner of Oaths, etc.

**Susan Alica Jean Scerbo**  
**a Commissioner, etc.,**  
**Province of Ontario, for**  
**The Corporation of the City of Niagara Falls.**  
**Expires February 2, 2012.**

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## **CITY OF NIAGARA FALLS**

### **By-law No. 2009 - 127**

A by-law to amend By-law No. 79-200 to permit a broad range of industrial, service commercial and institutional uses within a portion of the Elgin Industrial Area.

#### **THE COUNCIL OF THE CORPORATION OF THE CITY OF NIAGARA FALLS ENACTS AS FOLLOWS:**

1. The Lands that are the subject of and affected by the provisions of this by-law are described in Schedule 1 of this by-law and shall be referred to in this by-law as the "Lands". Schedule 1 is a part of this by-law.
2. The purpose of this by-law is to amend the provisions of By-law No. 79-200, to permit the use of the Lands in a manner that would otherwise be prohibited by that by-law. In the case of any conflict between a specific provision of this by-law and any existing provisions of By-law No. 79-200, the provisions of this by-law are to prevail.
3. Notwithstanding any provisions of By-law No. 79-200 to the contrary, the following uses and regulations shall be the permitted uses and regulations governing the permitted uses on and of the Lands.
4. The permitted uses shall be:
  - (a) Manufacturing, compounding, processing, packaging, crating, bottling and assembling of raw or semi-processed or fully process materials, provided that no such use is dangerous, obnoxious or offensive by reason of the presence, emission or production of odour, smoke, noise, gas fumes, cinders, vibration, radiation, refuse matter or water carried waste
  - (b) Art gallery
  - (c) Assembly hall
  - (d) Auctioneering establishment
  - (e) Bake shop
  - (f) Bank, Trust Company, Credit Union, Currency Exchange
  - (g) Building supplies shop and yard
  - (h) Car rental establishment, truck rental establishment
  - (i) Car wash, interior and exterior hand car cleaning
  - (j) Carpenter shop
  - (k) Clinic
  - (l) Cold storage plant
  - (m) Commercial bakery
  - (n) Commercial printing and associated services establishment
  - (o) Community building
  - (p) Contractor's or tradesman's shop, contractor's or construction equipment rental shop
  - (q) Convenience store
  - (r) Dry cleaning establishment
  - (s) Funeral home
  - (t) Health centre
  - (u) Hotel
  - (v) Laboratory - experimenting, commercial or testing

- (w) Laundry
- (x) Laundry plant
- (y) Library
- (z) Machine shop
- (aa) Motel
- (bb) Museum
- (cc) New car agency
- (dd) Office
- (ee) Personal service shop
- (ff) Photographer's studio
- (gg) Place of entertainment
- (hh) Place of worship
- (ii) Production and data processing establishment
- (jj) Public garage, autobody
- (kk) Public garage, mechanical
- (ll) Recreational uses
- (mm) Religious institution
- (nn) Restaurant
- (oo) Shop for the repair and servicing of goods, machinery and equipment
- (pp) Used car lot
- (qq) Veterinarian office
- (rr) Warehouse
- (ss) Wholesale establishment
- (tt) Winery
- (uu) Accessory retail to a maximum floor area of 465 square metres per use described in clauses (a) to (tt) inclusive

5. The regulations governing the permitted uses shall be:

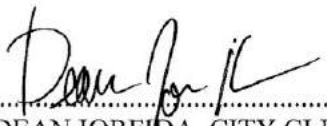
- (a) Minimum front yard depth                      6 metres plus any applicable distance specified in section 4.27.1 of By-law No. 79-200
- (b) Minimum exterior side yard width              6 metres plus any applicable distance specified in section 4.27.1 of By-law No. 79-200
- (c) Minimum landscaped open space              5% of the lot area

A minimum of 6 metres between the street line and any parking area except for any driveways shall be maintained as landscaped open space. In the case of a corner lot, the exterior side yard shall be subject to the same landscaped open space regulations as for a front yard. In addition, that portion of the rear yard abutting on a side street, except for any driveways, shall be maintained as landscaped open space to a depth of 1.5 metres.

- (d) Outside storage will be limited to 5% of the site area, and no outdoor storage will be permitted within 50 metres of any street.
- (e) Maximum floor area of a convenience store              300 square metres

- (f) All permitted uses, except for the uses described in clauses (h), (cc) and (pp) of section 4 of this by-law, are to be conducted within a wholly enclosed building.
  - (g) The balance of regulations specified for a LI use.
6. For the purposes of this by-law the following definitions shall apply:
- “Convenience store” means an establishment where prepared food, groceries, household items, tobacco, patent medicines, periodicals and other similar items are kept for retail sale to the public and may include automated banking machines, depots for laundry and dry cleaning and media rental.
- “Production and data processing establishment” means a building or part thereof used for the production or reproduction of film, tape, digital media and records; data processing industries; and binding and related industries with similar impacts.
7. All other applicable regulations set out in By-law No. 79-200 shall continue to apply to govern the permitted uses on the Lands, with all necessary changes in detail.
8. No person shall use the Lands for a use that is not a permitted use.
9. No person shall use the Lands in a manner that is contrary to the regulations.
10. The provisions of this By-law shall be shown on Sheets C3 and D3 of Schedule “A” of By-law No. 79-200 by redesignating the Lands from HI, in part, HI and numbered 49, in part, and GI and numbered 53, in part, to LI and numbered 869.
11. Section 19 of By-law No. 79-200 is amended by deleting section 19.1.49.
12. Section 19 of By-law No. 79-200 is amended by adding thereto:
- 19.1.869 Refer to By-law No. 2009- 127.

Passed this tenth day of August, 2009.

  
.....  
DEAN IORFIDA, CITY CLERK

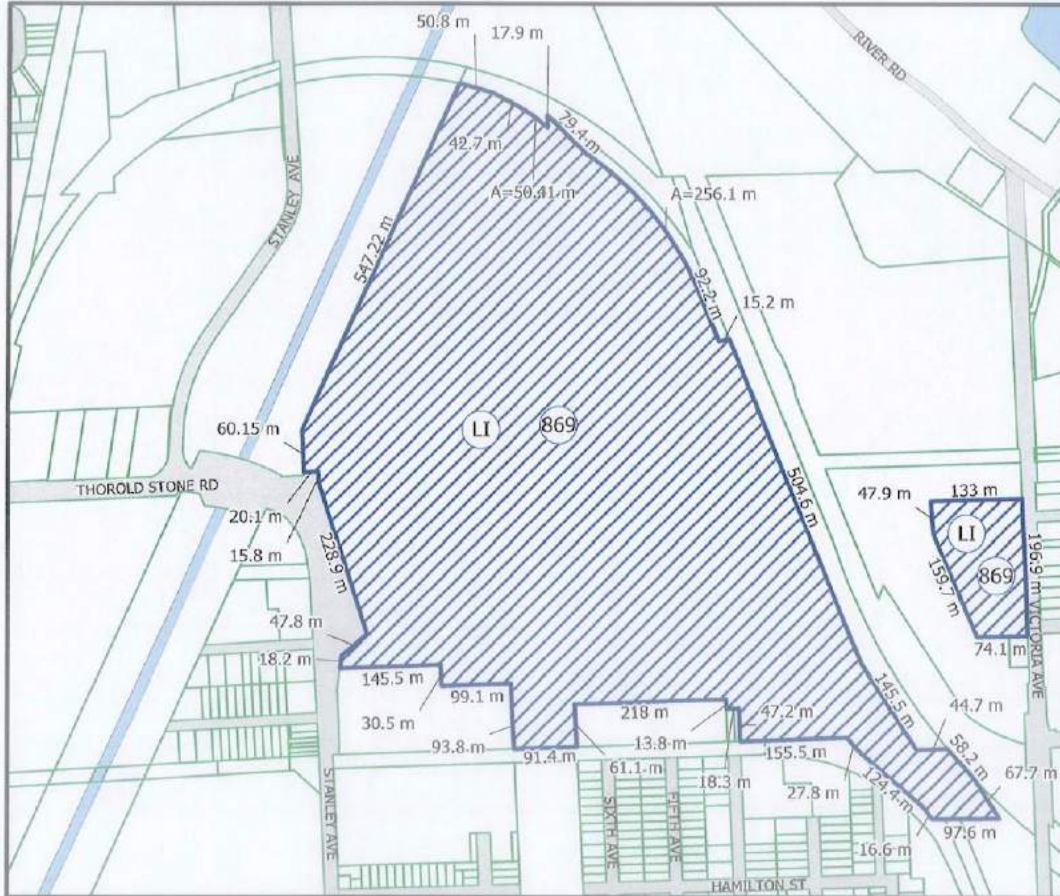
  
.....  
R. T. (TED) SALCI, MAYOR

First Reading: August 10, 2009  
Second Reading: August 10, 2009  
Third Reading: August 10, 2009



# SCHEDULE 1 TO BY-LAW No. 2009-127

Subject Land



## Amending Zoning By-law No. 79-200

Description: Part of Township Lots 59, 74, 76 and 91, Stamford  
Now in the City of Niagara Falls  
Regional Municipality of Niagara

Applicant: City of Niagara Falls



1:NTS

AM-2008-013

K:\GIS\_Requests\2008\Schedules\ZoningAM\AM-13\mapping.map

April 2009

Prepared exclusively for Landx Developments Ltd. and 1939522 Ontario Limited



## Niagara Gateway Economic Zone

The Niagara Gateway Economic Zone and Centre Community Improvement Plan (CIP) provides financial incentives to property owners who revitalize, strengthen and diversify the economy in Niagara by promoting private sector investment, development, redevelopment, and construction activity on employment lands in the Gateway CIP Project Areas.

The program is provided through a partnership between Niagara Region and the participating Gateway Municipalities of Fort Erie, Niagara Falls, Port Colborne, Thorold and Welland.

Two programs are available through the Gateway CIP:

1. The Tax Increment Based Grant Program (TIBG)
2. The Regional Development Charge Grant Program

### **The TIBG Program**

The TIBG Program applies only to municipal property taxes (Regional and local) on an eligible project. The TIBG will provide a tax increment grant to completed projects within the Gateway CIP Project Area, based on their economic and environmental design performance and provided that the project creates an increase in assessment, and therefore an increase in property taxes, upon its completion.

Payments for approved projects will cease when the total tax increment based grant, along with all other grants, loans and tax assistance provided, equals the eligible cost of improvements under all applicable CIP programs or after a pre-determined period of time, as outlined below:

1. Ten (10) years for projects within the Strategic Locations for Investment
2. Five (5) years for projects within the Gateway CIP Project Area, but outside of the Strategic Locations for Investment

### **The Regional Development Charge Program**

The Development Charge Grant Program is only available to approved TIBG program applications that qualify as “exceptional” projects. These are projects that achieve a combination of high scores on both economic performance and environmental design performance.

The Development Charge Grant is only applied to Regional Development Charges.

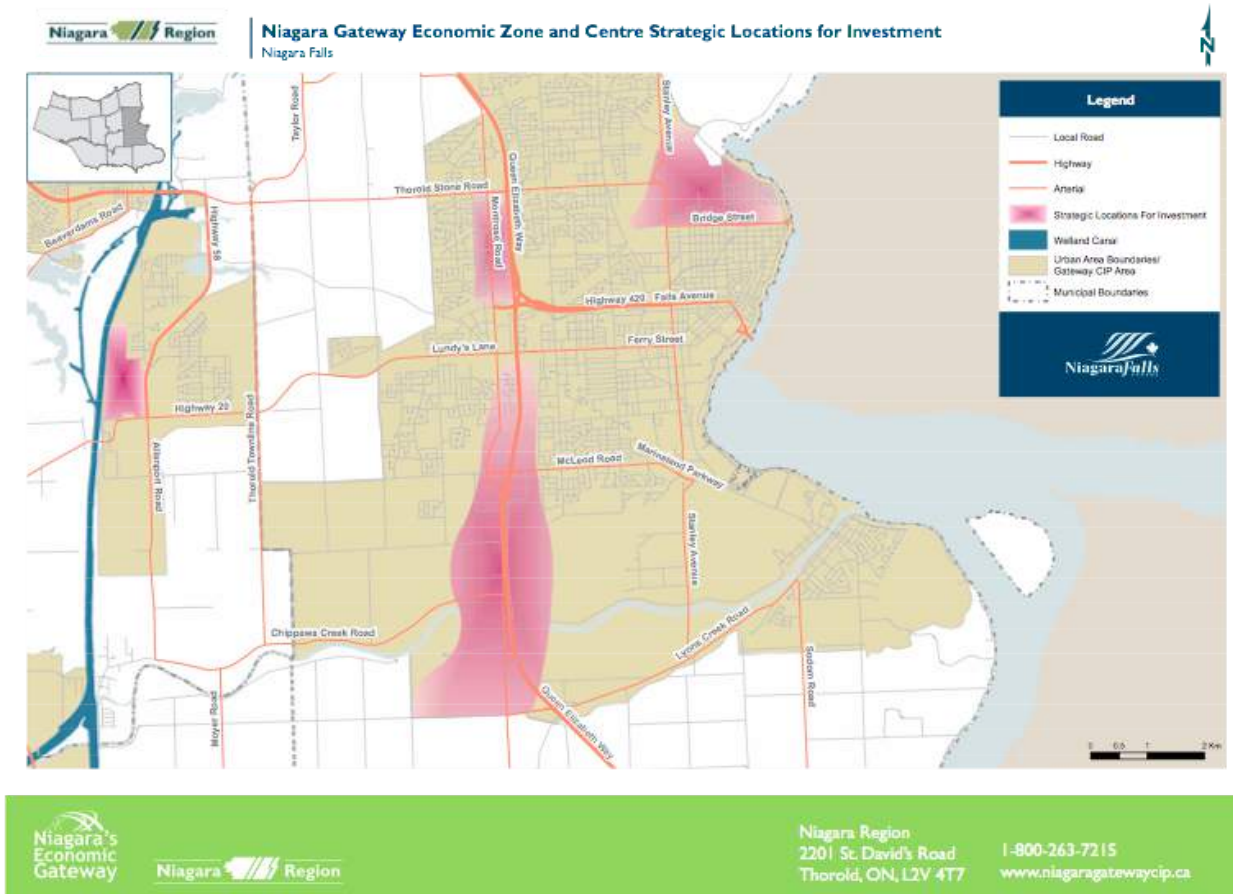
Development Charge Grants will be paid after construction on a project has been completed, rather than as a development charge exemption at the time of building permit issuance. This is because the grant amount is tied to project performance, which cannot be determined until the project is complete.

The Development Charge Grant payment is capped at \$1.5 million.

The Niagara Gateway CIP programs are available to projects which are located in one of the following municipalities: Town of Fort Erie, City of Niagara Falls, City of Port Colborne, City of Thorold or the City of Welland.

Within these municipalities, certain areas have been identified as strategic locations for investment, within which TIBG periods are extended to 10 years in duration.

The following map outlines strategic locations for investment in the City of Niagara Falls identified through this program. The subject property is located within the northeast identified area.





# Valuation Section

## Highest and Best Use

### Definition & General Discussions

The Highest and Best Use of a property can be defined as that use which generates the highest net returns to the land in the form of money or amenities over a given period of time. A chosen Highest and Best Use must be both legally permissible and highly probable given the current political, economic and environmental factors in effect. In general terms the use must be the most profitable and/or beneficial use at that given point in time as determined by the market. However, it is necessary to point out that the Highest and Best Use is not necessarily uniquely determinable for each and every parcel. If the present use of a property is considered to represent its Highest and Best use, this conclusion implies that such use will most probably continue to remain into the foreseeable future.

Another definition is as follows:

The reasonably probable and legal use of vacant land or an improved property, which is physically possible, appropriately supported, financially, feasible and that results in the highest value.<sup>1</sup>

Factors that affect the Highest and Best Use of a property include the following key principles

- (1) Locational Factors
- (2) Supply/Demand Factors
- (3) The Principle of Change
- (4) The Principle of Anticipation
- (5) The Principle of Balance
- (6) The Principle of Competition
- (7) Land Use Restrictions/Governmental Regulations
- (8) Servicing Infrastructure<sup>2</sup>
- (9) Land/Site Analysis<sup>3</sup>
- (10) The Principle of Contribution
- (11) The Principle of Substitution

### As if Vacant

To test the highest and best use for the property, the appraiser must consider all logical and feasible alternatives by addressing the uses in the context of their legal permissibility, physical possibility, financial feasibility and degree of maximal productivity. This process will reduce the number of possible alternatives; the appraiser can then select the most appropriate Highest & Best Use.

The Highest and Best Use discussion is continued on the following page.

<sup>1</sup> The Appraisal of Real Estate, Third Canadian Edition (2010)

<sup>2</sup> Includes municipal services, their adequacy, street systems and types etc.

<sup>3</sup> This includes physical factors such as frontage, depth, corner influence, shape, size, topography, excess land, easements, rights of way and soil conditions.

## Highest and Best Use Discussion continued

**Legally Permissible:** A proposed use must be legally permissible and therefore, existing land use regulations must be examined and any reasonable possible potential changes in land use regulations must be considered. This is considered a key factor in the valuation of the subject property.

**Physically Possible:** The land area of the subject property has to qualify for a number of potential land uses. Factors such as land shape, topography, and size are key factors, but can also include conservation issues, soil type, and proximity to water passages.

**Financially Feasible:** Even if a potential use is legal and physically possible, if it is not financially feasible the previous two criteria are rendered meaningless and the analysis should be reviewed. The financially feasible uses are ones that will likely produce the greatest return after satisfying operating expenses. The characteristics used to estimate financial feasibility are financial constraints, marketability, and fair market return.

**Maximally Productive:** For a use to be the highest and best, the other agents in production, labour, capital and management must be allocated a market determined portion of the property's income.

### Final Comments:

The subject property is currently vacant land. The current LI zoning as per By-law No. 2009-127 permits a broad range of industrial, service commercial, and institutional uses for the subject property.

The surrounding area is currently undergoing development with the extension of Thorold Stone Road, and surrounding land parcels included within the Gateway Economic Zone, offering incentives for redevelopment to service commercial and light industrial uses.

The subject property offers commercial and light industrial appeal based on its overall size, shape, and location along the high traffic Stanley Avenue and newly extended Thorold Stone Road. The appraiser considers development for commercial/light industrial purposes would be the optimal use of the subject property.

The Highest and Best Use of the subject property is considered a development for commercial/light industrial uses.

## Approach to the Appraisal Problem

Various approaches to value can be utilized in the appraisal process. A single approach, or any number of the approaches to value, may be used, depending on the type of property under appraisal and the information available to reliably support any approach employed. The most common approaches to value are described as follows:

### Cost Approach to Value

This approach is based on the fact that an informed purchaser will not pay more than the cost of producing a substitute property that has the same utility as the subject property. It is best to use the Cost Approach when the property being appraised has relatively new improvements or unique or specialized improvements for which no comparative properties exist in the market.

### Direct Comparison Approach to Value

This approach is based on the fact that an informed purchaser will not pay more than the cost of acquiring an existing property with the same utility. It is best to use this approach when there is an active market, able to supply sufficient quantities of reliable data that can be verified from reliable sources. It is relatively unreliable in an inactive market, or in estimating the value for a property for which there are no good comparable sales available.

### Income Approach to Value

This approach is used to appraise income-producing properties; anticipated benefits, either dollar income or amenities, are converted from the ownership of property into a value estimate. The Capitalization process is used to discount anticipated future income to a present worth figure.

## Conclusions

In considering the approaches to value, only the Direct Comparison Approach is considered to be relevant in this analysis.

The appraiser has investigated sales of similar vacant lands with light industrial and commercial zoning and located within a Gateway Economic Zone; however, limited comparable sales were identified. Based on the Highest and Best Use for the subject property, the appraiser has presented sales of industrial and commercial zoned lands throughout Niagara Falls. The Direct Comparison Approach now follows.

## Direct Comparison Approach

### Summary Sales Chart - Industrial zoned land sales

No.	Address	Sale Date	Sale Price	Lot Size (acres)	Zoning	\$/Acre	Comments
1	8226 & 8236 Beaverdams Rd, Niagara Falls	31-Aug-17	\$380,000	0.77	GI	\$ 494,154	Two adjacent vacant rectangular shaped parcels. Municipal services available.
2	Block 1, McCleary Dr, Thorold	15-May-17	\$975,000	3.02	LI-13	\$ 322,848	Vacant corner parcel at Collier Road, very close access and exposure to Hwy 58. Zoning permits variety of industrial and commercial uses.
3	N/S Chippawa Creek Rd, Niagara Falls	24-Jan-17	\$89,100	2.64	PI	\$ 33,740	Vacant rectangular shaped parcel, located within Montrose Industrial Park. Municipal services available.
4	Pt Twp Lts 57, 59 & 74, Niagara Falls	23-Dec-16	\$2,800,000	44.80	HI & LI	\$ 62,500	Vacant former CN lands along railway line. Multiple access points from Victoria Ave, adjacent to Niagara Helicopters. Purchaser also acquired adjacent building on 2.52 acres for \$200,000 on same date.
5	7790 Blackburn Pkwy, Niagara Falls	13-Jun-14	\$87,000	2.67	PI	\$ 32,584	Vacant rectangular shaped parcel, located within Montrose Industrial Park. Municipal services available.
6	8160 Oakwood Dr, Niagara Falls	31-May-13	\$670,000	8.05	PI	\$ 83,230	Rectangular shaped parcel with 410' frontage along QEW. Older residence and 2 metal storage buildings - value noted in the land.
7	6255 Don Murie St, Niagara Falls	30-Nov-12	\$85,000	1.20	LI	\$ 70,833	Vacant parcel located within the Stanley Avenue Business Park. Municipal services available.
8	W/S Stanley Ave, Niagara Falls	24-Jan-12	\$1,150,000	17.41	LI-H	\$ 66,054	Land assembly of 4 adjacent vacant light industrial parcels.
9	3807 Stanley Ave, Niagara Falls	17-Jun-10	\$185,000	2.18	LI	\$ 84,862	Vacant irregular shaped parcel, north of Thorold Stone Road. Municipal services available. Rail line runs along rear boundary. Purchaser owned adjacent property to north.

## Summary Sales Chart - Commercial zoned land sales

No.	Address	Sale Date	Sale Price	Lot Size (acres)	\$/Acre	Zoning	Comments
1	6000 Marineland Pkwy, Niagara Falls	31-Aug-17	\$ 4,400,000	6.98	\$ 630,799	TC	Vacant irregular shaped parcel, part of entrance to Thundering Waters golf course and subdivision.
2	5934 Stanley Ave, Niagara Falls	28-Jun-17	\$ 750,000	0.30	\$2,500,000	DTC	Tourist commercial property with older single family dwelling, value noted in the land. Purchased by owner of adjacent DoubleTree hotel.
3	4737 Victoria Ave, Niagara Falls	31-May-17	\$ 80,000	0.38	\$ 208,333	GC	Vacant parcel at corner with Huron St and Valley Way, at entrance to downtown.
4	4152 Bridge St, Niagara Falls	25-May-17	\$ 240,000	0.31	\$ 768,392	CB	Vacant rectangular shaped parcel. Northeast end of downtown area, immediately west of Niagara Pkwy. Lot size 107' x 129'.
5	7000 Montrose Rd, Niagara Falls	23-May-17	\$ 1,044,000	2.26	\$ 462,347	GC-H	Vacant irregular shaped parcel, north of McLeod at QEW interchange. Seller was proposing a 4 storey office building, 16,000 sf retail plaza, and up to 6,000 sf retail pad.
6	5471, 5491 & 5507 River Rd, Niagara Falls	01-Feb-17	\$ 3,100,000	1.24	\$2,500,000	R5E & P	6 parcel land assembly, purchased for development of a potential residential condominium.
7	7939 Lundy's Ln, Niagara Falls	07-Dec-16	\$ 775,000	0.71	\$1,087,112	TC	Vacant rectangular shaped parcel, located between Montrose & Kalar Rds. Lot size 200' x 155'.
8	N/S Robinson St, Niagara Falls	25-Oct-16	\$40,446,000	11.77	\$3,436,364	TC	Vacant future hotel development site, north of Skylon Tower.
9	S/S McLeod Rd, Niagara Falls	13-Jul-16	\$ 1,200,000	4.79	\$ 250,522	TC	Power of sale of vacant site. Purchaser has since proposed residential development.
10	5687 & 5711 Stanley Ave, Niagara Falls	30-Jun-16	\$ 1,250,000	0.86	\$1,448,436	TC	2 adjacent vacant parcels located south of Hwy 420. Dimensions 167.91' x 225.26'. 362 days on market.
11	5823 Ellen Ave, Niagara Falls	29-Apr-16	\$ 350,000	0.22	\$1,590,909	TC	Vacant parcel at corner with Magdalen St in Clifton Hill tourist district. Dimensions 107.85' x 105.58'. 207 days on market.
12	SW Corner McLeod Rd & Kalar Rd, Niagara Falls	23-Feb-16	\$ 650,000	0.87	\$ 747,126	GC	Vacant commercial land at signalized intersection.
13	8279 Lundy's Ln, Niagara Falls	30-Sep-15	\$ 1,750,000	2.58	\$ 678,295	GC	Commercial land with old farmhouse. Signalized intersection with Kalar Rd.
14	8627 Thorold Stone Rd, Niagara Falls	02-Jul-15	\$ 745,000	1.17	\$ 636,752	NC-714	Vacant commercial parcel. Since developed with new 5 pump gas bar and 3,500 sf convenience store.
15	E/S Stanley Ave, Niagara Falls	02-Feb-15	\$ 1,000,000	3.25	\$ 307,692	TC	Vacant commercial land located south of Fallsview district, at intersection with McLeod Rd.

Prepared exclusively for Landx Developments Ltd. and 1939522 Ontario Limited



## Discussion of Comparable Sales

As noted on the previous pages, the comparable industrial zoned sales range from \$32,584 to \$494,154 per acre, while the comparable commercial zoned sales range from \$208,333 to \$3,436,364 per acre.

The adjustment process deals with factors such as property rights, financing, date of sale/market conditions, location, motivation, physical characteristics, economic factors, use characteristics, and non-realty components. It is noted that economic factors, use characteristics and non-realty components are not considered significant within this valuation.

The appraiser noted a lack of recent sales of industrial zoned lands within Niagara Falls with similar size and zoning, due in part to a lack of available parcels remaining in the north end of the City.

The subject property offers a wide range of commercial, industrial, and institutional permitted uses under the current zoning by-law, with further incentives for remediation and development under the Gateway Economic Zone classification. As such, the subject property is considered superior to the majority of industrial zoned lands noted in the summary sales chart. Comparables 1 and 2 are smaller parcels, reflecting recent sale prices for smaller industrial zoned sites. Comparable 2 offers a range of additional commercial uses under Thorold's zoning by-law.

The tourist commercial land sales noted in the commercial land sales summary chart are generally superior to the subject given their locations and additional commercial uses related to tourist uses.

Comparable 5 within the commercial zoned land sales is located within a similar Gateway Economic Zone in the south end of Niagara Falls, offering the best overall comparison for the subject property. Given economies of scale with a smaller site compared to the subject, the appraiser considers a rate below \$462,347 per acre to be applicable to the subject.

All factors considered, a market value rate of \$400,000 per acre has been arrived at for the subject property. This is considered a result of the Adjustment Factors discussed previously. The valuation for the subject property is as follows:

$$\text{Subject Property} = 16.31 \text{ acres} \times \$400,000 \text{ per acre} = \$6,524,000$$

Estimated Current Market Value by Direct Comparison Approach (Rounded): \$6,525,000



## Exposure Time

Exposure time may be defined as

The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal.

It is a retrospective estimate based upon an analysis of past events assuming a competitive and open market. The reasonable exposure period is a function of price, time and use, not an isolated opinion of time alone.

CUSPAP (2014) provides the following example for exposure time:

As an example, an office building could have been on the market for two years at a price of \$2.0 million, which informed market participants considered unreasonable. Then, the owner lowers the price to \$1.6 million and starts to receive offers, culminating in a transaction at \$1.4 million six months later. Although the actual exposure time was 2.5 years, the exposure time at a value range of \$1.4 to \$1.6 million would be six months. The answer to the question “what is reasonable exposure time?” should always incorporate the answers to the question “for what kind of real estate at what value range?” rather than appear as a statement of an isolated time period.

A given exposure time for a property is considered to be part of the estimate of market value, as opposed to directly influencing the estimate. The overall concept of reasonable exposure time encompasses not only adequate, sufficient, and reasonable time, but also adequate, sufficient and reasonable marketing effort. The distinction between exposure time (i.e., past) and marketing time (i.e., future) must be made clear if both are referred to in the report.

A review of the comparable properties has revealed that they have been generally offered on the market for two months to one year before ultimately selling. It is your appraiser’s opinion that an appropriate exposure time for the subject property is six to nine months.

## Certification

It is my opinion that as of the effective date November 13, 2017 that the current market value of the subject property located at the Southeast Corner of Stanley Avenue and Thorold Stone Road, Niagara Falls, Ontario is:

**SIX MILLION FIVE HUNDRED & TWENTY FIVE THOUSAND (\$6,525,000) CDN. DOLLARS**

*Attention is drawn to the Extraordinary Assumptions and the Terms of Reference.*

I certify that to the best of my knowledge and belief the statements of fact contained in this report are true and correct. The reported analysis, opinions and conclusions are limited only by the reported assumptions and limiting conditions and is my personal, unbiased professional analysis, opinions and conclusions.

I have no present or prospective interest in the property that is the subject of this report, and I have no personal interest or bias with respect to the parties involved.

My compensation is not contingent upon the reporting of a predetermined value or direction in value estimate, the attainment of a stipulated result or the occurrence of a subsequent event.

My analyses, opinions and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards of Professional Appraisal Practice and the Code of Ethics of the Appraisal Institute of Canada.

I, the undersigned, have sufficient knowledge and experience to complete the assignment competently. No one has provided significant professional assistance to the persons signing this report.

As of the date of this report, I have completed the requirements of the continuing education program of the Appraisal Institute of Canada.

Date: December 7, 2017

Colliers International Niagara Limited



Owen Hughes, B.Sc., AACI, P.App  
Senior Appraiser, Partner, Colliers International Niagara Ltd.

# Qualifications | Owen Hughes

## Experience and Highlights

- Experience in Real Estate Appraisal and Consulting Profession since 2008
- Bachelor of Science Degree (B.Sc.) with a Minor in Business from Brock University
- Accredited Appraiser Canadian Institute (AACI), Appraisal Institute of Canada
- Attended University of British Columbia Real Estate Appraisal Program
- Government Affairs Committee member, Greater Niagara Chamber of Commerce
- Board of Directors, Founding Member, St. Catharines Chicken Wing Festival
- YMCA of Niagara, Member on a Board Committee - Asset Assessment Committee

## Profile

Owen Hughes is a senior appraiser and project consultant and Partner at Colliers International Niagara Limited, designated with the Appraisal Institute of Canada. A graduate of Brock University, Owen is part of a growing Colliers Niagara Team and has completed the Appraisal Institute of Canada's requirements for the AACI (Accredited Appraiser Canadian Institute) designation through the University of British Columbia.

## Types of Appraisal Assignments

- Hotels / Motels
- Golf Courses
- Residential Subdivision & Development Lands
- Apartment Buildings
- Industrial Buildings
- Parkland Dedication Appraisals
- Commercial Retail Plazas
- Office Buildings
- Seniors Residences
- Racetrack Development Land
- Industrial Land
- Tourist Commercial Land
- Brownfield Redevelopment Land
- Car Dealership Facilities
- Assessment Appeals
- Farm, Tender Fruit & Vineyard Lands
- Wineries
- Gas Bar & Car Wash Facilities
- Commercial / Residential Buildings
- Tourist Commercial Buildings

Owen Hughes, B.Sc., AACI, P.App

Senior Appraiser, Partner

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Colliers International Niagara Limited, Brokerage

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Canadian Imperial Bank of Commerce	Hydro One
BDO Canada Limited	Brock University
Bank of Montreal	Various School Boards
Bank of Nova Scotia	Effort Trust
Ukrainian Credit Union	Real Estate Companies
Various Finance Companies	Consulting Firms
Mortgage Brokerage Firms	Home Builders / Land
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