

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, 3 Schedule B, as amended (the “OEB Act”);

**AND IN THE MATTER OF** an Application by Milton Hydro Distribution Inc. under Section 78 of the OEB Act to the Ontario Energy Board for an Order or Orders approving or fixing just and reasonable rates and other service charges for the distribution of electricity as of May 1, 2016.

**AND IN THE MATTER OF** the Board’s Decision with Reasons dated July 28, 2016.

**MOTION RECORD OF MILTON HYDRO DISTRIBUTION INC.**

**For a Review of the Board’s Decision Dated July 25, 2016**

**EB-2016-0255**

**Responses to Procedural Order No. 2 OEB Panel Questions**

**Filed: February 3, 2017**

Cameron McKenzie  
Director, Regulatory Affairs  
Milton Hydro Distribution Inc.  
200 Chisholm Drive  
Milton, Ontario  
L9T 3G9

Tel: (289) 429-5212  
[cameronmckenzie@miltonhydro.com](mailto:cameronmckenzie@miltonhydro.com)

## Introduction

For the benefit of the new Ontario Energy Board (“OEB”) panel, Milton Hydro has provided an introduction to Colliers International, the independent appraiser used by Milton Hydro in the valuation of the property at Fifth Line and Main Street East as Attachment A.

Milton Hydro has provided both its responses to the (“OEB’s”) questions set out in Procedural Order No. 2 (“PO #2”) on the appraisal of Fifth and Main as set out in EB-2015-0089.

Milton Hydro has also attached the responses prepared independently by Colliers International to the OEB’s questions set out in PO #2 on the appraisal of Fifth and Main as set out in EB-2015-0089. Colliers responses are attached separately as Attachment B.

The following Attachments are filed as an integral part of these responses:

Attachment A	Introduction to Colliers International
Attachment B	Colliers International’s Independent Responses to PO #2 Questions
Attachment C	Retrospective Value Update Letter
Attachment D	Appraisal Certification – Fifth Line & Main Street East
Attachment E	Town of Milton Derry Green Corporate Business Park – By-Law No. 088-2015
Attachment F	Email Chain Between Milton Hydro and Colliers International
Attachment G	Colliers Addendum & Appraisal Fifth Line & Main –Typographical Errors Corrected

## OEB Questions for Milton Hydro and Appraiser

1. Was the 2009 purchase price for the Fifth Line and Main Street property (the Property) recorded in the financial statements for the utility for the years 2009 to 2015?

### Response:

The 2009 purchase price of \$2,218,530 for the Fifth Line and Main Street property (the Property) was recorded in the audited financial statements for the utility for the years 2009 to 2014. The land was sold on December 23, 2015 to Milton Energy and Generation Solutions, an affiliate of Milton Hydro; accordingly, the land cost of \$2,218,530 was removed from the accounting records at that time.

**Note:** For regulatory rate setting and RRR Reporting purposes fifty percent (50%) of the purchase price, or \$1,109,265, was included in Rate Base.

Milton Hydro would refer to page 32 of Exhibit 1 of Milton Hydro's 2016 Application (EB-2015-0089) which explains the final Settlement Agreement from Milton Hydro's 2011 Cost of Service Application:

*The original purchase price of Main and Fifth was \$2,218,530. As Milton Hydro was only going to be using 50% of the property as a storage yard Milton Hydro agreed, during the Settlement Conference, that only 50% of the cost, being \$1,109,265, would be included in the opening Rate Base of Milton Hydro's 2011 Cost of Service Rate Application.*

*For the purposes of Milton Hydro's 2016 Cost of Service Rate Application, Milton Hydro removed the \$1,109,265 from Rate Base for the 2015 Bridge Year.*

*The land Milton Hydro owns at Main and Fifth has been appraised at \$2,400,000 and will be put up for sale. The appraised value is supported by an appraisal done by Colliers International Realty Advisors Inc. dated August 5, 2015, and is included at Attachment 1-3. As discussed above, 50% of the land value was included in Rate Base in 2010. Upon the sale of the land, Milton Hydro will credit 50% of the net*

*proceeds, being 100% of the net proceeds on the rate based portion of the land, to the benefit of customers as a revenue offset. The proceeds will be used to partially finance the new Service Centre and Administration building at 200 Chisholm Drive.*

The 50% of the land value in Rate Base was re-affirmed during the Oral Hearing, Vol 2\_20160405 at page 45 during questioning by Mr. Shepherd and page 108 in the Argument-In-Chief by Mr. Sidlofsky.



2. What Account Number in the OEB's Uniform System of Accounts was used to record the cost of the Property?

**Response:**

Milton Hydro used the OEB Uniform System of Account number 1905 Land to record the cost of the Property.

3. (a) Was Colliers involved in preparing the 2010 appraisal in the amount of \$600,000 to \$700,000 for the 1.3 acres of privately held property at Fifth Line and Main Street referenced in the EB-2015-0089 record?
- (b) If not, then at any time prior to the completion of the August 5, 2015 Colliers appraisal, did Milton Hydro inform Colliers of this appraisal and the \$750,000 offer that it made in 2011 to buy the 1.3 acres of privately held property and the owner's rejection of that offer?

**Response:**

- (a) No, Colliers was not involved in preparing the 2010 appraisal in the amount of \$600,000 to \$700,000 for the 1.3 acres of privately held property at Fifth Line and Main Street referenced in the EB-2015-0089 record. Milton Hydro obtained a verbal appraisal of \$600,000 to \$700,000 for the 1.3 acre residential property, from Phil Prestige, Royal LePage, who was the agent for the original 6.43 acres purchased by Milton Hydro at Fifth and Main.
- (b) No, Milton Hydro did not inform Colliers of the verbal appraisal of the privately held property at the corner of Fifth Line and Main Street prior to the completion of the August 5, 2015 Colliers appraisal. On December 2, 2010, Milton Hydro made an offer of \$699,000 on the privately held property at Fifth Line and Main Street which was rejected by the property owner. The property owner did not sign back the offer but verbally instructed the agent that he would not sell for less than \$750,000; Milton Hydro did not submit any further offers.

**Please see response from Colliers in letter dated January 29, 2017 – Attachment B**

4. (a) Was Colliers involved in the November 14, 2012 \$450,000 per acre and \$2.7 M value estimate for the Property contained in the Greenfield Budget presented by Milton Hydro management and included in the EB 2015-0089 record?
- (b) If not, then, prior to the completion of the August 5, 2015 appraisal, did Milton Hydro inform Colliers of the \$450,000 per acre and \$2.7 M value for the Property shown in the November 14, 2012 presentation?

**Response:**

- (a) No, Colliers was not involved in the November 14, 2012 \$450,000 per acre and \$2.7M value estimate for the Property contained in the Greenfield Construction Budget estimate presented by Milton Hydro management and included in the EB-2015-0089 record. Milton Hydro's staff used the \$450,000 per acre to provide an estimate of potential cash flow requirements.
- (b) Milton Hydro did not inform Colliers of the \$450,000 per acre and \$2.7 M value for the Property shown in the November 14, 2012 Greenfield Budget estimate presentation prior to the completion of the August 5, 2015 appraisal. The values were only used as an early estimate by Milton Hydro to determine debt financing requirements. The estimate was provided by a Milton Hydro staff member as a best guess, not a real estate appraiser.

**Please see response from Colliers in letter dated January 29, 2017 – Attachment B.**

5. (a) Did Colliers provide the \$4,040,000 appraisal of the land at 200 Chisholm Drive in 2014 referenced in EB-2015-0089 record?

(b) If so, then were any of the comparators used in the August 5, 2015 appraisal also used in the 2014 appraisal of the 200 Chisholm Drive land?

**Response:**

(a) Yes, Colliers provided the \$4,040,000 appraisal of the land at 200 Chisholm Drive. A copy of the appraisal and retrospective value update letter was filed with the OEB on March 24, 2016 as ATTACHMENT – Request 3 in response to School Energy Coalition’s information request for the oral hearing. Milton Hydro has provided the Retrospective Value Update Letter for the land appraisal at 200 Chisholm Drive as Attachment C.

(b) Please refer to Colliers response in their letter dated January 29, 2017 – Attachment B

**Please see response from Colliers in letter dated January 29, 2017 – Attachment B.**

6. Why was a valuation date of August 5, 2015 prescribed?

**Response:**

A valuation date of August 5, 2015 was not prescribed. Milton Hydro was required to file its 2016 Cost of Service Application by August 28, 2015 and wanted an accurate reflection of the selling price. Milton Hydro contacted Colliers on July 6, 2015 to request an independent appraisal of Fifth Line & Main Street. Colliers advised that it would take 3 to 4 weeks to complete the work. The formal appraisal was dated August 5, 2015.

7. Does the August 5, 2015 appraisal reflect the imminent availability of water and sanitary servicing at the Property by the end of 2015 described in Milton Hydro's January 7, 2014 letter to the OEB seeking a deferral of its 2015 cost of service application?

**Response:**

Please refer to Colliers response in their letter dated January 29, 2017 – Attachment B

8. Was Milton Hydro provided with draft copies of the appraisal report?

**Response:**

Yes, Milton Hydro was provided with one draft copy of the appraisal report.

**Please see response from Colliers in letter dated January 29, 2017 – Attachment B.**

9. What did each of the successive drafts of the appraisal report say about the reasonable value range and the rate per acre?

**Response:**

There was no change from the draft appraisal report to the final appraisal report about the reasonable value range and the rate per acre. The Certification did not change from the appraised value of \$2,400,000. Milton Hydro has attached a copy of the Certification provided by Colliers International as Attachment D

**Please see response from Colliers in letter dated January 29, 2017 – Attachment B.**



10. What were the reasons for reducing the \$400,000 to \$450,000 value range and the \$425,000 rate per acre?

**Response:**

Please see response from Colliers in letter dated January 29, 2017.

For clarification to the reference Colliers' make to *"the subject falls within Phase 3 of the Derry Green Corporate Business Park"*, Milton Hydro provides the following information.

The Town of Milton's By-Law No. 088-2015, passed in open council on November 9, 2015, includes the following time line for the development of the Derry Green Corporate Business Park (available on the Town of Milton's website [http://www.milton.ca/en/build/resources/Derry\\_Green\\_Consolidation\\_December\\_2015.pdf](http://www.milton.ca/en/build/resources/Derry_Green_Consolidation_December_2015.pdf)) and also included as Attachment E for reference purposes:

**C.9.6.1.2 (page C.9-23)** *In addition to the policies of Section C.9.6.1.1, development in the Derry Green Corporate Business Park shall proceed in three phases as designated on Schedule "C.9.C", as well as a Potential Future Phase. Prior to the commencement of development in each phase, the policies of Section C.9.6.1.1 shall be satisfied and confirmation shall be received from the Regional Municipality of Halton that water and wastewater services can be provided, and the following conditions must be met:*

- a) Phase 2 - 60% of the developable land in Phase 1 must be in registered plans of subdivision or approved site plans prior to commencement of development in Phase 2;*
- b) Phase 3 - 60% of the developable land in Phase 2 must be in registered plans of subdivision or approved site plans prior to commencement of development in Phase 3; and,*
- c) Potential Future Phase – the Town and Regional Municipality of Halton are satisfied that the lands can be appropriately provided with water and wastewater services.*

As stated by Colliers, the property at Fifth and Main is included in Phase 3 and is identified on the phasing plan on the last page of Attachment E. **As of February 3,**

2017, development in Phase 1 of Derry Green Corporate Business Park has yet to commence.

11. What communications/discussions, if any, took place between Milton Hydro and Colliers as to the values to be included in the appraisal report?

**Response:**

No communications/discussions took place between Milton Hydro and Colliers as to the values to be included in the appraisal report. Milton Hydro does not have anyone on staff with real estate appraisal expertise. To see the complete email chain between Milton Hydro staff and Colliers refer to Attachment F.

**Please see response from Colliers in letter dated January 29, 2017 – Attachment B.**

12. Please explain how the errors came to form part of the appraisal report.

**Response:**

Please see response from Colliers in letter dated January 29, 2017 – Attachment B.

Milton Hydro has attached the Addendum referred to by Colliers in their response as Attachment G.

13. (a) Milton Hydro sold the Property to its affiliate in December 2015. Had water and sanitary servicing reached the Property by the end of December 2015?

(b) If not, then when did that servicing reach the Property?

**Response:**

(a) Water and sanitary servicing had not reached the Property by the end of December 2015.

(b) As of February 3, 2017 the Property remains un-serviced as water and sanitary servicing has not reached the Property.

14. In Milton Hydro's 2011 rate case 50% of the cost of the Property was treated as in-service rate base. What USA account number was used to record the portion of the cost of the Property that was not being used?

**Response:**

Milton Hydro used the OEB Uniform System of Account number 1905 Land to record the total cost of the Property at Fifth Line and Main Street. For regulatory rate setting and reporting purposes fifty percent (50%) of the purchase price, or \$1,109,265, was included in Rate Base and all subsequent OEB filings including the RRR Filings. Please refer to Milton Hydro's response to Question 1 above.

15. Can Milton Hydro please explain why, in the presentation referenced in Question 4, it proposed to apply the full amount of the capital gain on a sale of the property to defray the total capital costs constructing the new utility office/service centre at a replacement property?

**Response:**

The presentation reference in Question 4, Greenfield Construction Budget being referred to was prepared in November 2012 as a cash flow analysis. The slide breaks out the budgeted capital costs of constructing a new building and the net cost that Milton Hydro would need to finance after applying the estimated proceeds from the sale of Fifth Line and Main Street.

The Greenfield Construction Budget does not just apply the gain against the budgeted capital costs of constructing a new building but rather applies the estimated proceeds that may be received on the sale of Fifth and Main Street. Any proceeds received could be used to help defray the capital cost of constructing the new utility office/service centre as stated on page 32 of Exhibit 1 of Milton Hydro's 2016 Application (EB-2015-0089) and as discussed in Question 1 above the *"The proceeds will be used to partially finance the new Service Centre and Administration building at 200 Chisholm Drive."*

16. In its motion Milton Hydro takes the position that certain provisions of the OEB's Accounting Procedures Handbook (APH) apply to the capital gain realized on the disposition of the Property. What is Milton Hydro's position on the applicability of section 2040 B of the APH to determine the amount of the gain or loss realized on land held for future utility use to be allocated to ratepayers?

**Response:**

Milton Hydro has copied section 2040 B of the APH below:

*B. This account shall also include the original cost of land and land rights owned and held for future use in electric service under a plan for such use, to include land and land rights: (1) Acquired but never used by the utility in electric service, but held for such service in the future under a plan, and (2) previously held by the utility in service, but retired from such service and held pending its reuse in the future under a plan, in electric service. See Article 230 Definitions and Instructions No. 8 for detailed guidance.*

It is Milton Hydro's position that USofA 2040 B does not apply as it clearly states "... (1) *Acquired but never used by the utility in electric service, but held for such service in the future under a plan*". The land included in Milton Hydro's Rate Base, being 50% of the land purchased, was used as a storage yard, fenced-in and secure from 2011 to 2015 when the land was sold. The gain or loss to be realized and allocated to ratepayers would be based on the land included in Rate Base which was 50% of the land purchased and being used, which is what Milton Hydro did as set out in its response to OEB staff interrogatory number 63.



## Attachment A

### Introduction to Colliers International

# COLLIERS INTERNATIONAL | CANADA

## Valuation Services

**90 Professionals in**  
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- › Office
- › Industrial
- › Multifamily
- › Land
- › Hotels
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### Our Services

From a single commercial asset to a portfolio of properties, we deliver accurate and timely information that will help you better understand the value of your assets and make business decisions accordingly.

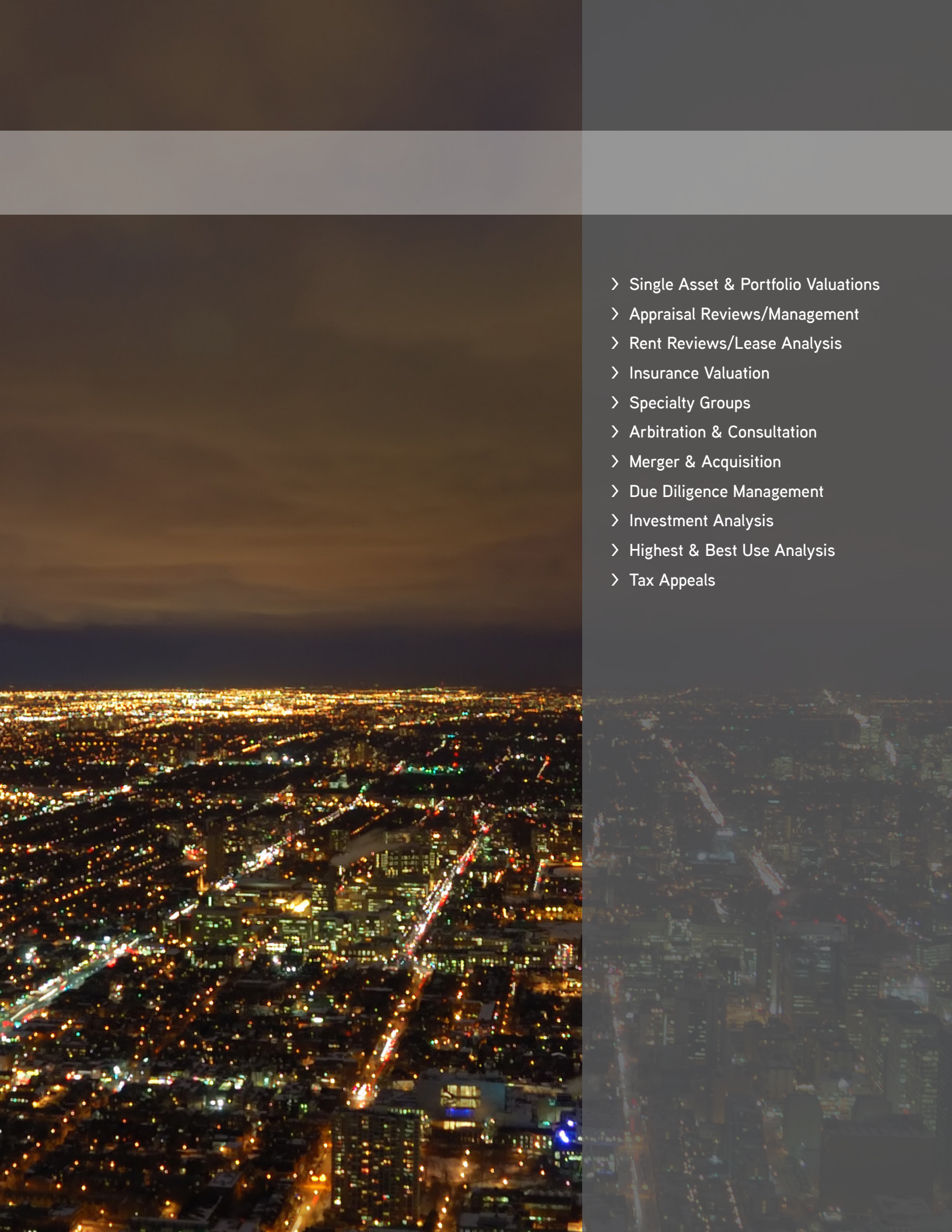
Our Professionals assist you in understanding complex opportunities, whether they involve a rapidly changing real estate market or volatility in the equity and debt market. We are able to anticipate change and actively respond to the continually shifting environment.

Our primary goal is to provide quality and timely service, regardless of the complexity of the assignment and the objectives you need to achieve. Colliers International Valuation & Advisory services has developed a strong reputation for quality, credibility and dependability. Collier' continued growth is supported by its position as a recognizes leader in real estate valuation while serving a full range of clients, geographies and property types.



Accelerating success.



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- The image is a composite. The left half shows a vibrant, high-angle night photograph of a city, likely Los Angeles, with its lights reflecting on a highway and spreading across the urban landscape. The right half is a dark, semi-transparent overlay containing a list of services. The list is presented in a clean, white, sans-serif font, with each item preceded by a right-pointing chevron symbol. The background of the entire image is a gradient of dark colors, transitioning from a deep blue at the top to a dark grey at the bottom, which helps the white text stand out.
- › Single Asset & Portfolio Valuations
  - › Appraisal Reviews/Management
  - › Rent Reviews/Lease Analysis
  - › Insurance Valuation
  - › Specialty Groups
  - › Arbitration & Consultation
  - › Merger & Acquisition
  - › Due Diligence Management
  - › Investment Analysis
  - › Highest & Best Use Analysis
  - › Tax Appeals

Real estate valuations play a pivotal role in today's business climate. An accurate and well-supported opinion of property value can mean the difference between reaching a critical goal - securing a loan, closing a sale, reporting to investors, choosing the best asset - or failing to achieve it all together.

Colliers Valuation & Advisory Services' reports are designed to deliver insight into a property's fundamentals, its competition and the overall market dynamics affecting value. A solid valuation report can be a strategic asset for investors, lenders and owners, provided that it addresses both a property's unique characteristics and the most current market conditions.

Commitment to high-end client service, coupled with Colliers International's unparalleled market intelligence and resources, differentiates us as the first of choice in the real estate industry. With its unique and expanding platform, Colliers Valuation continues to attract the valuation industry's leading professionals and provide a full range of expertise across all commercial property types. Our Professionals share a commitment to deliver the highest level of services and consistent results. We go the extra mile to deliver results, whether this means meeting a tight deadline or working with a complex and changing property.

All our appraisals are evaluated and approved by an experienced review team to ensure that our clients receive clear, concise and timely appraisals. We recognize that superior technology is not enough, so our managers and professionals exceptional customer service to support our clients' success.



## Insight & Experience

With unrivaled insight, analytics and strict attention to detail, our clients continued to rely on the following capabilities offered by Colliers.

- › Single Point of Contact
- › Client Facing SharePoint Site
- › Secure Bulk Upload of Data
- › Custom Report Templating
- › Consolidated Portfolio Summary
- › Quarterly or Annual Reporting
- › Trend Reporting



## Reporting

Our report production technology is unmatched in the industry. This secure, centralized production system moves appraisals through the pipeline quickly and allows us to generate peripheral reports and high-volume portfolio orders without delays.

A central review team evaluates and approves all appraisals to ensure you receive clear, concise, timely and error-free appraisals. Report Builder has reduced our reporting time and has allowed us to focus on meeting deadlines and delivering outstanding service.

## Research Capabilities

Knowledge is a critical part of the service we offer, and research is a key component of this knowledge. Our research teams work in partnership with our service professionals to give you the knowledge you need to make practical business decisions as well as provide multi-level support across all property types, ranging from collection of data to comprehensive market analysis.

Our expansive database houses detailed information on properties nationwide and globally, including historical supply, demand, absorption data, as well as transaction comparable. From this data, our research analysts generate quarterly reports on products and market conditions in virtually every major market in Canada and around the world. We combine this information with forward-thinking expertise to deliver more than what is readily available in terms of market data, including custom reports based on your specific needs. This approach helps you respond to current conditions and plan for the future.





## Valuation & Advisory Key Contacts

**CHRIS MARLYN**  
Senior Vice President  
Canada  
+1 403 298 0439  
[chris.marlyn@colliers.com](mailto:chris.marlyn@colliers.com)

Colliers has a highly experienced valuation group covering all major markets in Canada. The team benefits from the massive resources of market information through the Colliers brokerage network – the largest commercial real estate brokerage network in Canada.

**DEMETRI ANDROS**  
Managing Director  
Toronto, ON  
+1 416 643 3779  
[demetri.andros@colliers.com](mailto:demetri.andros@colliers.com)

**MICHEL COLGAN**  
Managing Director  
Montreal, QC  
+1 514 764 8192  
[michel.colgan@colliers.com](mailto:michel.colgan@colliers.com)

**JAMES GLEN**  
Vice President  
Vancouver, BC  
+1 604 661 0897  
[james.glen@colliers.com](mailto:james.glen@colliers.com)

## Property Tax Services

**J. CHANEY MORKILL**  
Managing Director  
Toronto, ON  
+1 416 643 3748  
[j.chaney.morkill@colliers.com](mailto:j.chaney.morkill@colliers.com)

**STEPHEN COOK**  
Managing Director  
Edmonton, AB  
+1 780 969 2981  
[stephen.cook@colliers.com](mailto:stephen.cook@colliers.com)

**HADLEY DUNCAN**  
Managing Director  
Toronto West, ON  
+1 416 620 2878  
[hadley.duncan@colliers.com](mailto:hadley.duncan@colliers.com)

**ANDREW MACLEOD**  
Managing Director  
Edmonton, AB  
+1 780 969 2977  
[andrew.macleod@colliers.com](mailto:andrew.macleod@colliers.com)

**OLIVER TIGHE**  
Managing Director  
Ottawa, ON  
+1 613 683 2225  
[oliver.tighe@colliers.com](mailto:oliver.tighe@colliers.com)

**SCOTT BOWDEN**  
Director  
Vancouver, BC  
+1 604 692 1463  
[scott.bowden@colliers.com](mailto:scott.bowden@colliers.com)

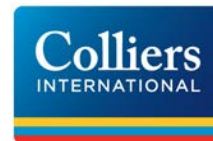
**MARK BERESTIANSKY**  
Managing Director  
Calgary, AB  
+1 403 298 0419  
[mark.berestiansky@colliers.com](mailto:mark.berestiansky@colliers.com)

**MITCH WILE**  
Managing Director  
Halifax, NS  
+1 902 442 8701  
[mitch.wile@colliers.com](mailto:mitch.wile@colliers.com)



## Attachment B

Colliers International's Independent Responses to PO #2 Questions



January 29, 2017

Reference: Colliers File No. TOR-15-621  
Eb-2015-0089

Ontario Energy Board  
PO Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
Attention: Board Secretary

**RE: Milton Hydro Distribution Inc. Motion to Review and Vary EB-2016-0255- Procedural Order No. 2  
6.43 Acres of Land at 5th Line & Main Street, Milton, Ontario**

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The following represents our response to applicable questions within the above noted document.

3) a) So far as I am aware, no

b) So far as I am aware, no

4) a) So far as I am aware, no

b) So far as I am aware, no

5) a) Yes, Colliers completed a land appraisal for 200 Chisholm, however, this was completed in 2015 (February 5, 2015 effective date). The signing appraiser on the file was Demetri Andros. Matthew Bruchkowsky had no involvement in this file.

b) There was one common comparable, 8277 Lawson Road.

7) Yes, the appraisal does reflect this fact as noted in our discussion with Planning Staff.

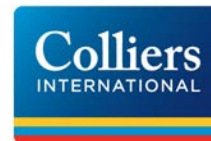
8) Yes, a Draft was sent to Milton Hydro on July 29, 2015. The estimate of market value contained within this Draft was \$2,400,000.

9) One Draft was sent to Milton Hydro. The report was finalized August 6, 2015 with the same estimate of market value as the Draft (\$2,400,000).

10) Within our file, there are three Drafts. The third Draft is the only report that was sent to the client.

Within Draft one, we concluded at a market value estimate of \$2,700,000 (rate per acre ranging from \$400,000 to \$450,000). This value was never communicated to the client. Following our peer review process (review by a second AACI designated appraiser), we deemed the rate should be at the lower end of the range given the





Subject falls within Phase 3 of the Derry Green Corporate Business Park, a policy plan that covers approximately 2,000 acres of Employment lands.

11) This file was originated by Demetri Andros, Managing Director. The file was assigned to me with no value expectations expressed by Demetri or the client. We did not express our value conclusion to the client in any way other than the delivery of a single Draft report.

12) The errors in the report were the result of our internal change to the value. The values expressed on the 2 signature pages were correct (written numerically and in words), however, the Executive Summary was not updated correctly and noted the wrong unit rate per acre. The value range was also not updated correctly on Page 33, and featured the range from our first internal draft which concluded at \$2,700,000. In updating the report following our internal value change, we failed to update these two sections of the report. We addressed these errors in an Addendum to the appraisal dated August 4, 2016.

Despite the errors, the value contained on the signature pages is the only value that can be relied upon, and represent our true opinion of the Market Value.

Yours sincerely,

**COLLIERS INTERNATIONAL REALTY ADVISORS INC.**

A handwritten signature in blue ink, appearing to read "M. Bruchkowsky", written over a light blue horizontal line.

Matthew Bruchkowsky, AACI P. App.  
Senior Director  
Valuation & Advisory Services, Toronto

Attachment C

Retrospective Value Update Letter



March 5, 2015

Our File No. TOR-15-199

Milton Hydro Distribution Inc.  
8069 Lawson Road  
Milton, Ontario L9T 5C4

**Attention: Frank Lasowski, President & CEO**

Dear Mr. Lasowski;

**RE: RETROSPECTIVE VALUE UPDATE LETTER – LAND VALUE to the Full Narrative Appraisal Report of Single-Tenant Industrial Property located at 200 Chisholm Drive, Milton, Ontario**

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The Toronto Valuation and Advisory Services Division of Colliers International Realty Advisors Inc. completed an appraisal of the above referenced property as of an effective date of September 15, 2014 (Our File No. TOR-14-265/67301). The referenced appraisal concluded with a property market value estimate of \$7,350,000 based upon the Direct Comparison Approach, supported by an Income Approach using Direct Capitalization. On February 5, 2015 (Our File No. TOR-15-199), you requested an update Letter to include the Land valuation for your property.

This Retrospective Update Letter will amend the Full Narrative report as requested to conclude a Retrospective Land market value (as vacant) estimate of **\$4,040,000** as September 15, 2014. The original appraisal must be read in conjunction with the update letter.

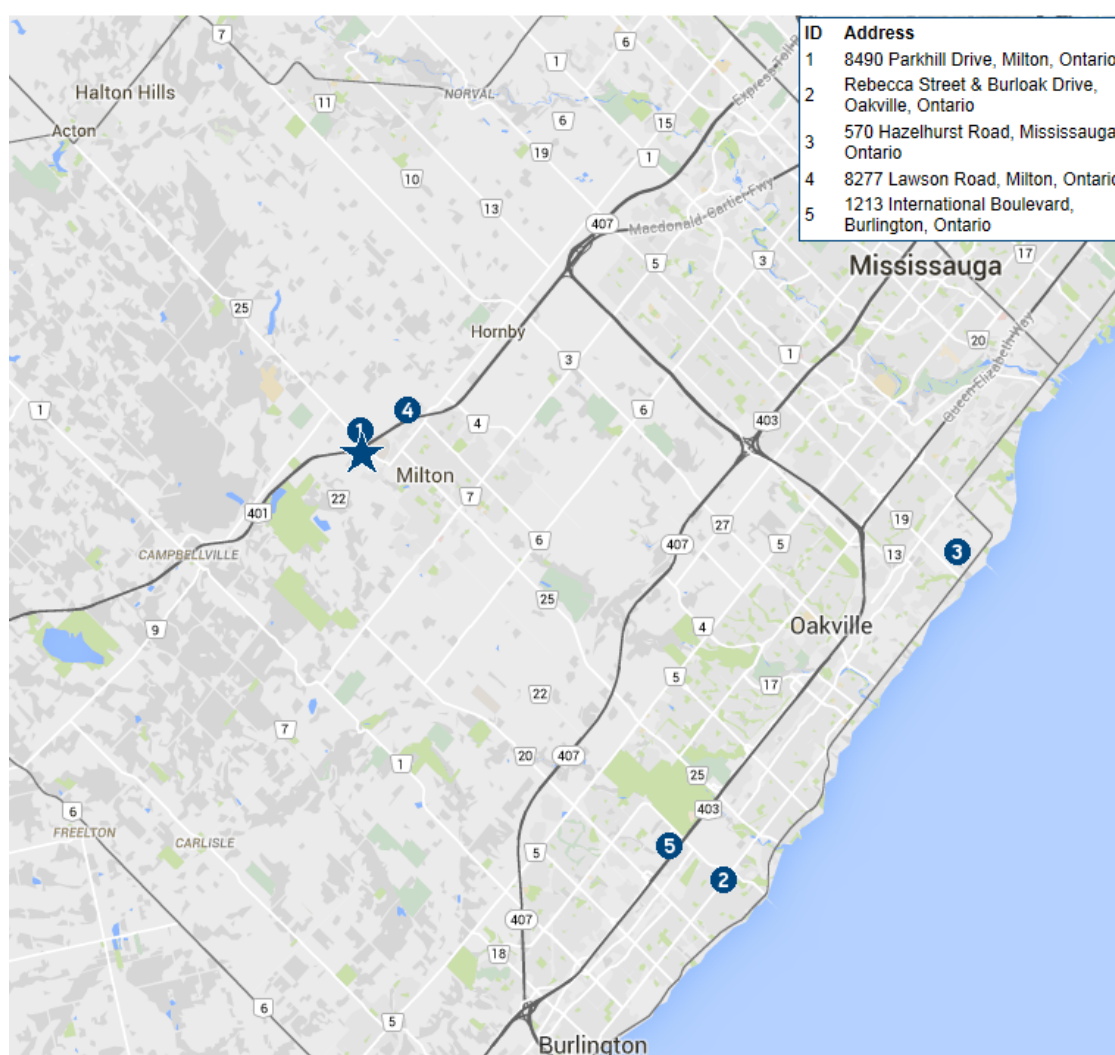
As per your request, we have not reviewed the referenced appraisal in order to consider any interim changes to the property and/or its operations, as well as any changes in the market, and to any potential impact on the value of the property which may have resulted. It must be noted that this represents an update letter to the original report reflection, the value of the land "as vacant" only, and must not in any way be construed to be an update appraisal of the property and its appraised value. Furthermore, this letter must be read in conjunction with the referenced appraisal report, a copy of which is assumed to be in your possession, and cannot be understood nor relied upon without such inclusion. The extraordinary and general assumptions and limiting conditions detailed in the referenced appraisal apply equally to this review.

In conducting this Land valuation, we have not conducted a cursory exterior inspection of the property and it is assumed herein that there are no material physical changes to the property, including any change in site area from the original appraisal, which would impact its value.

Furthermore, the Retrospective Land Valuation is estimated with an effective date of September 15, 2014.

## Land Valuation – Industrial Zoning

In determining the value of the site “as vacant”, the most appropriate method of valuation is the Direct Comparison Approach. In analyzing the comparable land sales or listing relative to the subject site, of particular relevance are characteristics such as location, site size, topography, development potential, and land use regulations. In this regard, the sales/listing summarized in the following table are considered to be reasonably comparable to the subject site and to provide a reliable indication as to its current market value. The map below positioned the sales or listings versus the property subject.



All sales and listings are assumed to be of a fee simple interest and to have market financing and were arm's length transactions. Given the assumptions stated in this valuation regarding the subject property and its property rights, no adjustment for the previous characteristics were applied to the sales.

## Land Transactions & Analysis

### Industrial

	Subject	Transaction One		Transaction Two		Transaction Three		Transaction Four		Transaction Five	
Property Name	200 Chisholm Drive	Vacant Land		Vacant Land		Vacant Land		Vacant Land		Vacant Land	
Address	200 Chisholm Drive	8490 Parkhill Drive		Rebecca Street & Burloak Drive		550-570 Hazelhurst Road		8277 Lawson Road		1213 International Boulevard	
	Milton, Ontario	Milton, Ontario		Oakville Ontario		Mississauga, Ontario		Milton, Ontario		Burlington, Ontario	
Transaction Date	-----	1-Mar-13		7-Mar-14		5-Jun-14		23-Sep-14		1-Oct-14	
Transaction Status	-----	Closed		Closed		Closed		Closed		Closed	
Transaction Price	-----	\$1,668,750		\$6,979,500		\$2,575,000		\$8,538,870		\$6,500,000	
Land Use/Zoning	M2 - General Industrial	EMP-2 - Employment Zone		E1 - Employment Zone		E3-12 - Employment Zone		M2 - General Industrial		GE1 - General Employment Zone	
Allowable Density	TBC	TBC		TBC		TBC		TBC		TBC	
Site Area (Acres)	7.033	2.682		14.100		3.784		18.549		11.296	
Price Per Acre	-----	\$622,204		\$495,000		\$680,497		\$460,341		\$575,425	
Transaction & Other Adjustment		Description	Adj.	Description	Adj.	Description	Adj.	Description	Adj.	Description	Adj.
Property Rights Conveyed	Fee Simple	Fee Simple	None	Fee Simple	None	Fee Simple	None	Fee Simple	None	Fee Simple	None
Financing	-----	TBC	None	TBC	None	TBC	None	TBC	None	TBC	None
Conditions of Sale	-----	Arm's Length	None	Arm's Length	None	Arm's Length	None	Arm's Length	None	Arm's Length	None
Market Conditions (Time)		TBC	None	TBC	None	TBC	None	TBC	None	TBC	None
Location	Very Good	Very Good	} None	Very Good	} None	Excellent	} Downward	Very Good	} None	Excellent	} Downward
Access	Very Good	Very Good		Very Good		Very Good		Very Good		Very Good	
Physical Characteristics											
Site											
Size (Acres)	7.033	2.682	} Downward	14.100	} Upward	3.784	} Downward	18.549	} Upward	11.296	} Upward
Topography	Level	Level		Level		Level		Level		Level	
Configuration	Irregular	Regular		Regular		Regular		Irregular		Irregular	
Density	0.3	TBC		TBC		TBC		TBC		TBC	
Zoning/Land Use	M2 - General Industrial	EMP-2 - Employment Zone		E1 - Employment Zone		E3-12 - Employment Zone		M2 - General Industrial		GE1 - General Employment Zone	
Access	Very Good	Very Good		Very Good		Very Good		Very Good		Very Good	
Exposure	Excellent	Very Good		Very Good		Very Good		Very Good		Very Good	
Non-Realty		None	None		None		None		None		None
Overall Comparability & Adjust.		Superior	Downward	Inferior	Upward	Superior	Downward	Inferior	Upward	Similar	Insignificant
Conclusion		Lower Than \$622,204 / acre		Higher Than \$495,000/ acre		Lower Than \$680,497 / acre		Higher Than \$460,341 / acre		Similar to \$575,425 / acre	

Based on the preceding table, and due to the inverse relationship between size and rate per acre, Index Nos. 2, 4 and 5 would require an upward adjustment for their larger site size. A downward adjustment would be required for Index Nos. 1 and 3 for their smaller site size.

A downward adjustment would be required for Index Nos. 3 and 5 for their superior location, whereas an upward adjustment would be required for Index No. 1, 2, 3, 4 and 5 for their none Highway frontage.

Properties Nos. 1 and 2 have an employment zoning that allow industrial uses but do not allow outside storage, nor warehouse/distribution. As a result, an upward adjustment would be required for those two properties. No adjustment would be required for Index Nos. 3, 4 and 5, as their industrial or general employment zoning allow both industrial uses and outside storage.

Given the aforementioned, a unit value of between \$565,000/acre and \$585,000/acre is considered to be appropriate for the subject property. Applying these rates per acre to the area of the property results in the estimates of value as seen in the chart below. Taking into consideration the location and the size of the subject, it is our opinion that the subject's land value is approximately \$575,000/acre.

Value Matrix - Land Valuation		
Land at 200 Chisholm Drive, Milton (Industrial)		
Size (Acres)	\$/acre	Value <sup>(1)</sup>
7.033	\$565,000.00	\$3,970,000
7.033	\$575,000.00	\$4,040,000
7.033	\$585,000.00	\$4,110,000

(1) Rounded to nearest \$10,000



Based upon our previously completed Full Narrative Report and our present Retrospective Land Valuation with our review of current market conditions, the following valuation parameters, are indicated:

Full Narrative Report (September 15, 2014)

Value by Direct Income Capitalization:	\$7,090,000
Value by Direct Comparison Approach:	\$7,350,000
<b>Reconciled Value Estimate:</b>	<b>\$7,350,000</b>

RETROSPECTIVE UPDATE LETTER (September 15, 2014)

Land Value "As Vacant" by Direct Comparison Approach:	\$4,040,000
<b>Reconciled Value Estimate:</b>	<b>\$4,040,000</b>

Trusting this is sufficient for your requirements.

Yours sincerely,

COLLIERS INTERNATIONAL REALTY ADVISORS INC.

A handwritten signature in blue ink, appearing to be "D. Andros", written over a light blue horizontal line.

Demetri Andros, AACI, MRICS  
Managing Director, Toronto

Attachment D

Appraisal Certification – Fifth Line & Main Street East





## Certification

**RE: Estimate of development site located at 5<sup>th</sup> Line and Main Street East, Milton, Ontario.**

---

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 analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, 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.
- I have no bias with respect to the property that is the Subject of this report.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the 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 with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute of Canada (A.I.C.).
- Jozo Markic (AIC Candidate Member) made significant contribution to the valuation of this property through research and analysis of sales data.
- I have the knowledge and experience to complete the assignment competently.
- The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report, **Matthew Bruchkowsky, AACI, P.App** has fulfilled the requirements of the program.
- The value estimate contained in this report applies as at the effective date of valuation as defined within the body of this report.

## Final Estimate of Value

Based on our analysis, the market value of the subject property, subject to the Extraordinary Assumptions on page 3, and the Contingent and Limiting Conditions listed in Appendix A, and as at August 5, 2015 is estimated to be;

**Based on our analysis, our estimate of market value of the Subject is:**

**\$2,400,000**

**Two Million Four Hundred Thousand Dollars**

The value estimates are based on an exposure time of four to six months, which is assumed to precede the valuation date.

**COLLIERS INTERNATIONAL REALTY ADVISORS INC.**

A handwritten signature in blue ink, appearing to read "M. Bruchkowsky", with a stylized flourish at the end.

Matthew Bruchkowsky, AACI, P.App.  
Senior Director  
Valuation & Advisory Services, Toronto

Date: August 5, 2015

Attachment E

Town of Milton Derry Green Corporate Business Park – By-Law No. 088-  
2015

THE CORPORATION OF THE TOWN OF MILTON

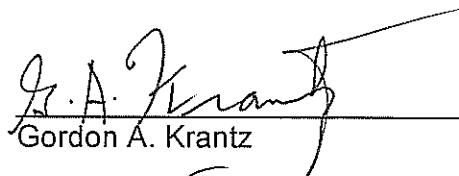
BY-LAW NO. 088-2015


BEING A BY-LAW OF THE TOWN OF MILTON TO ADOPT AN AMENDMENT TO THE TOWN OF MILTON OFFICIAL PLAN PURSUANT TO SECTIONS 17 AND 21 OF THE *PLANNING ACT*, AS AMENDED TO ADOPT OFFICIAL PLAN AMENDMENT NO. 41 INCORPORATING A HOUSEKEEPING AMENDMENT TO THE APPROVED DERRY GREEN CORPORATE BUSINESS PARK SECONDARY PLAN AND RELATED OFFICIAL PLAN DOCUMENTS IN THE TOWN OF MILTON IN THE REGIONAL MUNICIPALITY OF HALTON (TOWN FILE: LOPA 41)

The Council of the Corporation of the Town of Milton, in accordance with the provisions of Sections 17 and 21 of the *Planning Act* R. S. O. 1990, c. P.13, as amended, hereby enacts as follows:

1. Amendment No. 41 to the Official Plan of the Town of Milton, attached hereto, is hereby adopted.
2. Pursuant to Subsection 17(27) of the *Planning Act*, R.S.O. 1990, c. P. 13, as amended, this Official Plan Amendment comes into effect the day after the last day for filing a notice of appeal, if no appeal is filed pursuant to Subsections 17(24) and 17(25). Where one or more appeals have been filed under Subsection 17(24) or 17(25) of the said Act, as amended, this Official Plan Amendment comes into effect when all such appeals have been withdrawn or finally disposed of in accordance with the direction of the Ontario Municipal Board.

PASSED IN OPEN COUNCIL ON NOVEMBER 9, 2015.

  
\_\_\_\_\_  
Gordon A. Krantz Mayor

  
\_\_\_\_\_  
Troy McHarg Town Clerk

***C.9 DERRY GREEN  
CORPORATE BUSINESS PARK  
SECONDARY PLAN***

**C.9 DERRY GREEN CORPORATE BUSINESS PARK SECONDARY PLAN**

**C.9.1 GENERAL**

**C.9.1.1 PURPOSE**

The purpose of the Derry Green Corporate Business Park Secondary Plan is to establish a more detailed planning framework for the Derry Green Corporate Business Park Planning District in support of the general policy framework provided by the Official Plan.

It is a fundamental purpose of this Secondary Plan to ensure that:

- a) the impacts on existing taxpayers of the cost of new development within the Secondary Plan area shall be minimized;
- b) to the maximum extent possible and practical, the conveyance of lands for community facilities shall keep pace with growth in the Secondary Plan area to avoid or minimize a reduction in service standards for such facilities, including the conveyance of lands by landowners in advance of draft plan approval;
- c) to the maximum extent possible and practical, the conveyance of lands for, and the construction of, other public infrastructure shall keep pace with the growth in the Secondary Plan area so that the impacts of such growth can be appropriately managed, both fiscally and physically, including the conveyance of lands by landowners in advance of draft plan approval in both a fiscally responsible and physically efficient manner;
- d) overall development in the Secondary Plan area shall be phased in accordance with Schedule C.9.C. – Derry Green Corporate Business Park Secondary Plan Phasing Plan and in the phasing policies of Section C.9.6.1;
- e) development in the Secondary Plan area shall be consistent with the requirements and recommendations of the Subwatershed Update Study (SUS), Functional Stormwater and Environmental Management Strategy (FSEMS), Conceptual Fisheries Compensation Plan (CFCP) and applicable Subwatershed Impact Study (SIS) as approved to the satisfaction of the Town of Milton and the Region of Halton, in consultation with Conservation Halton, and where applicable, Provincial and Federal Authorities; and
- f) the progression of development within the Secondary Plan is managed in a manner which promotes the achievement of efficient land use and development patterns and is supported by an appropriate range of public infrastructure, facilities, services, and amenities.

**C.9.1.2** In order to ensure the implementation of this policy, no applications for development shall be approved and no development shall proceed in the Secondary Plan area unless development conforms with the phasing policies of Section C.9.6.1.2, and until:

- a) the *Long-Term Fiscal Impact Assessment of Growth* dated December 6, 2010 prepared by Watson & Associates Economists Ltd., as modified by Report CORS-063-12, is approved by Council;
- b) the Town has in full force and effect, and not subject to appeal, a Development Charges By-law enacted under the Development Charges Act, 1997 or any successor legislation, identifying and imposing charges applicable to the lands in the Secondary Plan area;
- c) the recommendations of the Financial Plan are secured through agreements with affected parties to the satisfaction of Council in accordance with Section C.9.6.1 of this Plan; and
- d) the recommendations of the Region's financial plan are secured through agreements with affected parties to the satisfaction of Regional Council in accordance with applicable Regional policies.

**C.9.1.3 LOCATION**

**C.9.1.3.1** The Derry Green Corporate Business Park Planning District is located in the Town's Urban Expansion Area as shown on Schedule "B" of the Official Plan and is bounded by:

- a) North Highway 401 and the west edge of the floodplain of the Middle Branch of Sixteen Mile Creek;
- b) East West edge of the floodplain of the Middle Branch of Sixteen Mile Creek;
- c) South North edge of the floodplain of the Centre Tributary of the Middle Branch of Sixteen Mile Creek; and,
- d) West James Snow Parkway.

**C.9.2 PLANNING DISTRICT CONCEPT**

**C.9.2.1 CORPORATE BUSINESS PARK CHARACTER**

**C.9.2.1.1** The Secondary Plan is designed to create a comprehensively planned, high quality, corporate business park with a significant component of office and other prestige uses. It will have approximately 17-18,000 employees based on an assumption of approximately 45 employees per net hectare. This area will also serve as a gateway to the Urban Area and, as such, will reflect the strong sense of community and the environment evident in Milton today by:

- a) providing a multi-modal transportation system, including road, rail, transit and trail/path facilities, and a development pattern which supports that system, to ensure the maximum degree of physical connection to key market areas, as well with the Existing Milton Urban Area, within the Planning District, and with other surrounding areas of the Town;
- b) ensuring that development fronting on major roads, and the road allowances, achieves high urban design standards to reinforce the Town's image and provide an attractive entrance to the community;
- c) providing the flexibility to accommodate a broad range of potential uses in the Corporate Business Park as a whole, while at the same time, establishing appropriate controls on development to ensure that high quality and prestige uses locate at key locations such the areas fronting on Highway 401, Derry Road and James Snow Parkway, and to minimize potential conflicts between uses, including conflicts which relate to the character of specific areas of the Corporate Business Park and the relationship to residential development on the west side of James Snow Parkway;
- d) creating a Natural Heritage System within the Planning District which is connected to the Natural Heritage System and parkland in other areas of the Town, particularly the Provincial Greenbelt to the east and south of the Planning District;
- e) providing for the potential of features and/or community facilities including a Community Park, within the Planning District which may serve as landmarks or focal points for the Corporate Business Park, its employees and also for all Town residents; and,
- f) recognizing that within the general vision for the Corporate Business Park, individual areas may develop their own specific character.

## **C.9.2.2 KEY DESIGN ELEMENTS**

**C.9.2.2.1** The following key design elements form the basis of the Secondary Plan as outlined on Schedule "C.9.A", Derry Green Corporate Business Park Structure Plan. They include:

- a) Natural Heritage System

A Natural Heritage System consisting of habitat complexes, watercourse corridors and buffers is a central feature of the community protecting key environmental features and where feasible providing a connection to the Natural Heritage System in the rest of the Urban Area, as well as to the surrounding rural area and, in particular, the Provincial Greenbelt to the east and south of the Secondary Plan Area. The road system will be aligned to give appropriate accessibility to the Natural Heritage System both physically and visually.

- b) Bicycle/Pedestrian Trail System

The Secondary Plan has been designed to accommodate the development of an extensive system of recreational trails, generally located within the outer portion of the Natural Heritage System buffers. In addition, sidewalks or, in certain locations, multi-use trails, will be provided on all roads and separate bicycle lanes will be

incorporated into the right-of-way on collector and arterial roads to ensure a community which provides maximum opportunities for pedestrian, bicycle and other similar movement, as well as access to transit services. All development shall have regard for the Town's Trails and Cycling Master Plan Update and comply with other relevant Town standards including the provision of on-road bike lanes, safe linkages within the Secondary Plan Area and connections to trails and bike routes outside the Secondary Plan Area.

c) Connectivity/Accessibility

The Secondary Plan Area includes numerous barriers to connectivity and accessibility, both externally and internally, (e.g. Highway 401, gas line and the railway). Improved internal and external access for vehicles, but also for pedestrians and cyclists, strengthens the area's integration with the rest of the community, as well as enhancing its gateway function and marketability. The road system within the framework of the transportation system designated on Schedules "C.9.A" and "C.9.B" will be designed with a modified grid pattern to enhance connectivity and accessibility. Key planned improvements to the transportation system designed to overcome barriers to connectivity and accessibility include:

- i) a grade separation at the railway for Fifth Line;
- ii) pedestrian/bicycle bridge over the Middle Branch of the Sixteen Mile Creek at the gas pipeline;
- iii) road connections to James Snow Parkway opposite existing roads on the west side of the Parkway; and,
- iv) easterly extensions of Main Street and Louis St. Laurent Blvd.

d) Highway 401 Landscape Corridor

The view of the Town from Highway 401 is one of the most significant in forming the community's image both for residents and visitors. A number of initiatives have already been taken to enhance this image (e.g. fountain at RR25 interchange). The 401 Industrial/Business Park established a requirement for the creation of a landscape corridor along Highway 401 and this should be continued in the Derry Green Corporate Business Park. This corridor will also provide a visual linkage between different parts of the Natural Heritage System.

e) Enhanced Streetscape Design

James Snow Parkway and Derry Road represent major access routes into and through the community. In addition, each of these roads has a significant role in the community:

- i) James Snow Parkway is a major gateway to the Urban Area and is the key interface between the Corporate Business Park and the residential community to the west; and,
- ii) Derry Road is also a major gateway to the Urban Area from the east.

As such, it is important in creating the image of the community, that these streets have an enhanced level of streetscape design including coordinated street furniture and landscaping. The Town will work with the Region, recognizing that these are Regional roads, to achieve this objective.



f) Integration of Cultural Heritage Resources

The retention of cultural heritage resources contributes to the character of the area. A careful review of all the identified cultural heritage resources will be required to determine how best to integrate the key features with the proposed development, including the adaptive reuse of built heritage resources.

g) Gateways

The intersections of Main Street and James Snow Parkway; Derry Road and James Snow Parkway; Louis St. Laurent Boulevard and James Snow Parkway; and Derry Road and Sixth Line are recognized as key points of entry or "gateways" to the Town which will require special design treatment both of the road right-of-way and any development adjacent to the right-of-way.

h) Hydro/Utility Corridor

A significant corridor north of the railway in the Secondary Plan area is used for Hydro transmission facilities. These facilities and the lands in the corridor are publicly owned and the function of the corridor is not anticipated to change. This fact must be recognized in the Plan.

### **C.9.3 VISION AND OBJECTIVES**

Further to, and in accordance with, the goals and objectives of Section 2 of this Plan, the following vision and objectives are applicable to the Derry Green Corporate Business Park Planning District.

#### **C.9.3.1 VISION**

**C.9.3.1.1** The Derry Green Corporate Business Park will be based on strong design requirements to ensure the achievement of quality development, while providing for a full range of employment uses in a variety of different environments. These will include prestige offices, campus settings in close proximity to the Natural Heritage System; street related employment uses and light industrial development.

#### **C.9.3.2 OBJECTIVES**

**C.9.3.2.1** To create a Corporate Business Park that capitalizes on Milton's competitive advantage in the Greater Toronto Area market and its location adjacent to the Highway 401 corridor by establishing a development framework that:

- a) streamlines approvals;
- b) is flexible in dealing with various types and forms of land uses and buildings while directing prestige uses to key locations; and,
- c) promotes a program of urban design that is attractive and financially responsible.

**C.9.3.2.2** To create a functional transportation system, including road, rail, transit and trail/path facilities, which ensures the maximum degree of physical connections to key market areas, as well as with the Existing Urban Area, within the Planning District and with other

surrounding areas. This system should be based on a modified grid road system and designed to ensure maximum accessibility and connectivity and opportunities for integration with the rest of the community.

- C.9.3.2.3** To ensure through the establishment of urban design guidelines and other measures, including zoning regulations, a high quality and consistent level of urban design for both public and private areas of the Corporate Business Park, including specific directions to ensure the highest quality of development at key locations, while providing the flexibility to accommodate a broad range of potential use in the Corporate Business Park as a whole.
- C.9.3.2.4** To create, in consultation with the Region of Halton and Conservation Halton, a linked Natural Heritage System, including a trail system, which is connected with other areas of the Town, forms a central feature of the Corporate Business Park, protects and enhances key existing natural features, and which is easily accessible and visible to residents and visitors.
- C.9.3.2.5** To develop a functional servicing plan, in consultation with the Region and with Regional approval where applicable, which ensures that all services, including major capital projects, are provided in a cost-effective and timely manner as the area develops.
- C.9.3.2.6** To preserve existing cultural heritage features which are designated or on the Town's heritage register, "in situ" wherever possible or, if supported by an approved heritage study, on an alternative, appropriate site. Adaptive reuse of these features will be encouraged.
- C.9.3.2.7** To create focal points for the Corporate Business Park, employees and Town residents through the use of cultural heritage features which are designated or on the Town's heritage register, or the creation of other landmark features, including a Community Park.
- C.9.3.2.8** To ensure an appropriate interface with the residential development west of James Snow Parkway and to mitigate impacts to the extent feasible on remaining, existing residential development and agricultural operations from adjacent new, non-residential and employment uses through design and the establishment of appropriate setbacks and buffering, while recognizing that the primary and long term use of the area is for employment development.
- C.9.3.2.9** To work with the Ministry of Transportation and abutting owners to create a comprehensive landscape corridor along Highway 401 and pedestrian/bicycle trail linkages across Highway 401 at major crossings such as James Snow Parkway.
- C.9.3.2.10** To work with the Region to design James Snow Parkway and Derry Road, and key intersections on those roads, to reflect their roles as major "gateways" to the Milton Urban Area.

**C.9.4 STRATEGIC POLICIES**

Further to and in accordance with the Strategic Policies of Section 2 of this Plan, the following policies are applicable to the Derry Green Corporate Business Park Planning District.

**C.9.4.1 TRANSPORTATION FACILITIES: CLASSIFICATION, FUNCTION AND DESIGN REQUIREMENTS**

**C.9.4.1.1 General**

- a) Transportation infrastructure shown on the Schedules attached to the Derry Green Corporate Business Park Secondary Plan may be subject to Environment Assessments at both Regional and Town levels, recognizing that this Secondary Plan together with the “Derry Green Corporate Business Park Transportation Strategy Report” (December 2010) and the “Halton Region Transportation Master Plan (2031) – The Road to Change” satisfy Phases 1 and 2 of the Environmental Assessment process. Regardless, the proposed locations of transportation infrastructure are conceptual and will only be finally determined upon completion of any required Environmental Assessments. Where appropriate, some of the required detail and assessment may be completed as a component of the plan of subdivision review process which will examine among other issues minimizing impacts on the Natural Heritage System and open space system.
- b) The location and alignment of roadways as illustrated on the Schedules to this Secondary Plan are conceptual and subject to study as may be required by the Town and/or the Region. All roadway and driveway spacing shall conform to standard roadway engineering practices and is to be approved by the respective roadway jurisdiction.
- c) The range of land uses ultimately developed within the Secondary Plan area may, in some instances, not require the full road network identified on the Schedules to the Secondary Plan. Where, through the submission of supplementary transportation studies, it can be demonstrated to the satisfaction of the Town and the Region that certain roads are not required, the road network as illustrated on the Schedules to this Secondary Plan may be modified accordingly, without amendment to this Plan.

**C.9.4.1.2 Sixth Line**

A portion of Sixth Line south of Derry Road is within the Regional Storm flood plain associated with the Sixteen Mile Creek and is subject to seasonal flooding. As a result, Sixth Line may have to be diverted in order to move it outside of the Regional Storm flood line. No development shall occur on adjacent lands until flood free access is available and has received all required approvals, including but not limited to the approval of an Environmental Assessment

**C.9.4.2 PUBLIC TRANSIT**

In conformity with Section B.2.6.3.19 and B.2.6.3.20 of the Official Plan, the Town will ensure that the development of the Derry Green Corporate Business Park maximizes the potential for the provision of transit service, including the development of transit-supportive design criteria and standards in the Urban Design Guidelines.

**C.9.4.3 FUTURE RAILWAY GRADE SEPARATION**

A future railway grade separation is designated on the Schedules to the Secondary Plan. The design of development shall protect for the eventual construction of the future grade separation based on projected traffic volumes, possible increases in rail traffic including GO Transit service and the limited road way crossings of the rail line.

In accordance with, and further to the policies of Section B.2.6.3.9 of this Plan, due to the presence of hydroelectric transmission towers in the immediate vicinity of the CP Rail line,

the alignment of the Fifth Line grade separation (underpass) will result in the need for an asymmetric road widening loaded to the east side of Fifth Line.

#### **C.9.4.3.1 FUTURE MAJOR ARTERIAL ROAD STUDY AREA**

The Region's Transportation Master Plan (2031) – The Road to Change has identified the need for additional north/south Regional arterial road capacity within the Derry Green Corporate Business Park Secondary Plan to support travel demand in 2031. Within Milton, the Transportation Master Plan has conceptually identified a new north/south corridor located between Fifth and Sixth Line, extending from Britannia Road to Provincial Highway 401.

As part of Halton Region's 2016 Transportation Master Plan, a Corridor Study will be undertaken to define the study area to be considered through the Class Environmental Assessment for the new corridor.

In the interim, development may commence in accordance with the Secondary Plan including the phasing plan in Schedule C-9-C within the area between Fifth and Sixth Lines, extending from Britannia Road to Provincial Highway 401, provided that the development does not restrict consideration of alternatives for the location of the corridor as part of the Corridor Study, and subject to the consent of the Region of Halton.

The Secondary Plan identifies a north/south local collector road within the area between Fifth and Sixth Lines, extending from Britannia Road to Provincial Highway 401. The need for this collector road will be reviewed in consultation with the Region of Halton prior to its construction. If the Region's Corridor Study determines that a Regional arterial road will be located within this area and that the local collector road is no longer required, the collector road will be deleted without amendment to the Plan.

#### **C.9.4.4 TRAILS SYSTEM**

Schedule "C.9.A", Derry Green Corporate Business Park Structure Plan establishes the proposed recreational pedestrian/bicycle trail system for the Secondary Plan area. It also identifies the location of roads which will be designed in accordance with the Town's standards to accommodate a bicycle path as part of the roadway and/or a multi-use path. Separate multi-use paths will only be required on arterial roads. A potential bicycle trail linkage is identified crossing Highway 401 on James Snow Parkway. The Town will work with the Ministry of Transportation and the Region of Halton to establish this bicycle trail linkage in this location, and at other major crossings.

#### **C.9.4.5 SIXTEEN MILE CREEK SUBWATERSHED UPDATE STUDY**

##### **C.9.4.5.1**

All new development within the Derry Green Corporate Business Park shall be consistent with the recommendations of the SUS, including the use of Low Impact Development Practices. Functional recommendations, derived from the SUS principles and specifically focused on the Derry Green Corporate Business Park Secondary Plan Area will also apply as outlined in the FSEMS and CFCP.

No amendment to the Secondary Plan shall be required to implement the recommendations of the Subwatershed Update Study, FSEMS or CFCP. Such functional recommendations will be implemented through the required SIS as approved by the Town in consultation with Conservation Halton, the Region and any other relevant public agencies. In particular, where

the SUS, FSEMS, or CFCP supports the realignment, relocation, elimination, replication or other modification of watercourse corridors or other key features including wetlands and restoration areas or changes in the locations of drainage facilities in accordance with the policies of Section C.9.5.10 of this Plan, no amendment shall be required to this Plan where such works are undertaken.

**C.9.4.5.2** In addition to the SUS, the Halton-Hamilton Source Protection Committee, with support from the Region of Halton and the Ministry of Environment, is in the process of completing the Source Water Protection plan for Halton Region. There are no Source Water Protection implications in this area as it is outside any well-head protection area.

**C.9.4.5.3** Subwatershed Impact Studies are required for Subwatershed Impact Areas identified as part of the FSEMS as a submission requirement for a complete application. The study areas can be modified or consolidated subject to approval of the Town, in consultation with the Conservation Authority and the Region of Halton. The goal of the Subwatershed Impact Studies will be to achieve a greater level of detail in the integration of land use, servicing and stormwater management. The Terms of Reference for the Subwatershed Impact Studies must be adhered to and can be found in the FSEMS.

#### **C.9.4.6 URBAN DESIGN**

##### **C.9.4.6.1 Urban Design Strategy and Guidelines**

Section B.2.8 of this Plan establishes a detailed urban design strategy for the Town which is applicable to the Derry Green Corporate Business Park Secondary Plan Area.

Further to, and in accordance with the policies of Section B.2.8 of this Plan, all development within the Derry Green Corporate Business Park Planning District shall be designed in a manner which reflects the following principles and policies, as well as the other policies of this Secondary Plan, particularly Section C.9.2, Planning District Concept, Section C.9.3, Vision and Objectives, and Schedule C.9.A, Derry Green Corporate Business Park Structure Plan; and has the regard for Urban Design Guidelines for the Planning District. Development is encouraged to employ innovative and sustainable design features and construction practices consistent with the approach advocated by the Leadership in Energy and Environmental Design (LEED) rating system.

##### **C.9.4.6.2 General Design Principles**

Further to, and in accordance with the provisions of Vision and Objectives of subsection C.9.3.1, development shall be designed in accordance with the following general design principles:

- a) Creation of a visually and physically well-connected Corporate Business Park incorporating high quality streetscape design and urban design which is innovative and supportive of transit and active transportation;
- b) Creation of a unique, place specific Corporate Business Park as a gateway to the Urban Area.

##### **C.9.4.6.3 Key Design Directions**

In addition to the policies of this Secondary Plan, the following policies and the designations on Schedules "C.9.A", Structure Plan, and "C.9.B", Land Use Plan, provide direction with respect to key design features.

**C.9.4.6.4 Natural Heritage System**

The Natural Heritage System as designated on Schedules "C.9.A." and "C.9.B" consisting of habitat complexes, watercourse corridors and buffers, is a central feature of the Secondary Plan area and forms a strong connection to lands within the Greenbelt Plan.

**C.9.4.6.5 Connectivity/Accessibility**

Strong connectivity and accessibility both internally and externally for the Corporate Business Park shall be achieved through the enhancements of the transportation system as designated on Schedule "C.9.A", Structure Plan and, in accordance with the policies of Sections C.9.4.1-C.9.4.4 and the other policies of this Secondary Plan.

**C.9.4.6.6 Highway 401 Landscape Corridor**

All development abutting Highway 401 or any related service roads shall be designed to achieve a landscaped corridor along the highway, although views of primary buildings will be permitted. The corridor shall be located outside of any lands required by the Ministry of Transportation and the width shall be specified in the Zoning By-law. In addition, to further implement this direction:

- a) buildings shall be designed so that all elevations facing a street, including Highway 401, present an attractive, articulated elevation;
- b) views of primary buildings will be permitted, although trees and landscaping will be used to screen elements such as parking, service and loading areas;
- c) parking which is visible from Highway 401 will be limited and generally will be at least partially screened by berms and landscaping;
- d) service and loading facilities, or open storage, will not be permitted in any yard facing Highway 401 and, regardless of location, will be screened from Highway 401.

**C.9.4.6.7 Enhanced Streetscape Design**

James Snow Parkway and Derry Road represent major access routes into and through the community. In addition, each of these roads has a significant role in the community. Recognizing that both these roads are Regional Roads, the Town will work to ensure that they are designed with an enhanced and co-ordinated approach to landscaping, street tree planting, sidewalks, lighting, private/public utilities, bike and multi-use paths and boulevards in accordance with the Town's Urban Design Guidelines and Regional Right-of-Way Dimension Guidelines and subject to any required Environmental Assessment.

In addition, the Town shall through the zoning by-law and site plan approval process, control development along these roads to ensure both a high quality of site design and use. In particular:

- a) buildings shall be designed to front on these roads;
- b) significant parking areas will be screened by berms and landscaping;
- c) service, loading and open storage facilities shall not be permitted in the yard abutting these major roads and shall be screened from these roads;
- d) safe and functional vehicular and pedestrian access shall be provided; and,
- e) the use of native and non-invasive species for landscaping and street tree planting will be promoted. Consideration will be given to eco-friendly features, including Low Impact Development (LID) practices in any streetscape design and landscaping involving publically-owned roads rights-of-way.

**C.9.4.6.8 Streetscape Design**

The design of all streets in the Corporate Business Park will also be carefully reviewed to ensure that the streets are functional for goods movement, while still being comfortable for pedestrians and bicyclists. The Urban Design Guidelines will establish specific design treatment for all streets.

**C.9.4.6.9 Cultural Heritage Features**

In the development of the Corporate Business Park, land owners shall be strongly encouraged to incorporate key cultural heritage features with the proposed development, including the adaptive reuse of built heritage resources.

**C.9.4.6.10 Gateways**

“Gateways” are designated on Schedule C.9.A. and are key points of entry to the Urban Area of the Town which require special design treatment of both the road allowance and adjacent development. In addition, it is recognized that the railway also serves as a “gateway” to the Town, and consideration will be given to the screening open storage along the tracks to minimize visual impact.

**C.9.4.7 CULTURAL HERITAGE**

Four properties in the Secondary Plan area are considered to be of cultural heritage significance. They are listed on the Town’s register and the Town may consider their designation under the *Ontario Heritage Act*. These properties are 7429 Fifth Line, 7542 Fifth Line, 7622 Fifth Line and 6566 Sixth Line and are designated on Schedule “C.9.B.” as “Cultural Heritage Resources”.

**C.9.4.7.1** The Town shall, in conformity with the heritage policies of Section B.2.10 of the Official Plan, actively encourage:

- a) the conservation of these buildings or any other sites which may be identified and listed on the register or designation under the *Ontario Heritage Act*;

- b) their retention in-situ wherever possible or, if supported by an approved heritage study, on an alternative, appropriate site; and,
- c) their integration with the Corporate Business Park development.

**C.9.4.7.2** The existing uses shall be encouraged to continue, however, adaptive re-use of the building and site, shall also be permitted. Notwithstanding the uses permitted in the land use designation applicable to these sites, permitted adaptive re-use shall be restricted to a limited commercial use or uses such as offices, a restaurant, a studio or a workshop subject to a zoning by-law amendment and site plan approval, and provided that:

- a) the character and appearance of the building and site are maintained, and any additions maintain the character, to the satisfaction of the Town;
- b) for 6566 Sixth Line, the approval of Conservation Halton, recognizing that the site is located in the floodplain; and.
- c) for 7622 Fifth Line, the Town is satisfied, in consultation with Conservation Halton, that there will be no significant impact on the natural environment recognizing that the site is located in the Natural Heritage System designation.

**C.9.4.8 PUBLIC INFRASTRUCTURE AND SERVICES**

- a) Federal, Provincial, Regional and Town-owned and/or operated public infrastructure and services are permitted to be located within any land use designation, except the Natural Heritage System designation, subject to the completion and approval of and Environmental Assessment or where such public infrastructure and services are required as a condition of approval under the Planning Act;
- b) Notwithstanding the foregoing, public infrastructure such as roads, above and below ground utilities including water and wastewater mains, storm sewers, gas lines, underground telecommunications infrastructure and stormwater management outlets may be located within the Natural Heritage System designation subject to the satisfactory demonstration of the following:
  - i) there are no feasible alternatives to the proposed location; and,
  - ii) the degree of intrusion is minimized to the extent possible.
- c) The provision of temporary/interim water and wastewater servicing to facilitate development may be considered by the Town and Region, where full services will be provided within a defined period of time and a requirement that connection to full services will be required once available, provided that it complies with all relevant policies of this Plan, and is in accordance with any applicable Provincial, Regional and local planning legislation and regulations.

**C.9.5 LAND USE POLICIES**

The applicable land use policies of Sections 3 and 4 of the Official Plan, together with the additional policies in this section, shall apply to the lands in the Derry Green Corporate Business Park Planning District, in accordance with the land use designations on Schedule "C.9.B", Derry Green Corporate Business Park Land Use Plan.



**C.9.5.1 BUSINESS PARK AREA**

**C.9.5.1.1 General**

Further to, and in accordance with the policies of Section 3.8 of the Official Plan, on lands designated "Business Park Area" on Schedule "C.9.B", with the exception of lands subject to the "Gateway Area", "Natural Heritage Oriented Area" and "Street Oriented Area" overlay designations, the following uses shall not be permitted:

- a) Service commercial uses;
- b) Hotel, conference, convention and banquet facility uses;
- c) Institutional uses;
- d) Restaurants, except where such uses form part of and are located wholly within an light industrial or office building, other than an industrial mall;
- e) Theatre/entertainment uses; and,
- f) Auto sales and service.

Limited open storage may be permitted at the rear of a lot, subject to a zoning by-law amendment, where it can be demonstrated to the Town that the open storage can be buffered by landscaping, berms or other screening mechanisms. In addition, on lands adjacent to the Community Park, in addition to commercial recreation uses, public indoor recreation facilities including a commercial, public/private or public indoor soccer facility are permitted.

**C.9.5.1.2 Overlay Designations**

The following uses shall be the only uses permitted on lands designated "Business Park Area" on Schedule "C.9.B", in the "Gateway Area", "Natural Heritage Oriented Area" and "Street Oriented Area" overlay designations, subject to the applicable policies of Sections C.9.5.1.4, C.9.5.1.5, or C.9.5.1.6 of this Plan and the submission of a concept plan and elevation drawings which illustrate how the policies of this Plan and Urban Design Guidelines will be addressed:

- a) Offices;
- b) Light industrial uses which include a significant office component;
- c) Research and development uses excluding uses which produce biomedical waste;
- d) Restaurants and service commercial uses where such uses form part of a light industrial, or office or mixed use building, including an industrial mall;
- e) Commercial recreation uses and public indoor recreation facilities: and,
- f) Parks.

**C.9.5.1.3** In addition, in the Gateway Area designation the following additional uses shall be permitted:

- a) Hotel, conference, convention and banquet facility uses; and
- b) Theatre/entertainment uses.

**C.9.5.1.4 Service Stations/Gas Bars**

Service station/gas bar uses including related convenience stores, car wash and other accessory uses shall only be permitted subject to the Urban Design Guidelines, a site specific amendment to the Zoning By-law and site plan approval in the Street Oriented Area overlay designation on Derry Road. Such uses shall be prohibited at the intersection of Derry Road and any Arterial Road. Such development shall not be subject to the specific policies of Section 9.5.1.5, but shall be designed to foster an urban character recognizing the specific requirements of the use.

**C.9.5.1.5 Street Oriented Area**

Lands designated “Business Park Area” with a “Street Oriented Area” overlay designation on Schedule “C.9.B” shall be reviewed by the Town in accordance with the Urban Design Guidelines. In particular:

- a) development shall be designed with street related sites and buildings, including a continuous frontage of buildings wherever feasible;
- b) no parking shall be located between the building and the street, and surface parking shall be located to the rear and sides of the building. In addition, the amount of lot frontage allocated for surface parking shall be restricted in the zoning by-law and driveway access to James Snow Parkway is generally prohibited. Structured or below grade parking is encouraged; and,
- c) buildings shall be designed to foster an urban character, with the scale and placement contributing to the pedestrian orientation of the street. Buildings shall have a minimum height of 6 metres and shall be encouraged to exceed one storey in height.

These directions shall be applicable to the lands on the north side of Derry Road between James Snow Parkway and Fifth Line which are separated from the street by Natural Heritage System designation. However, the relationship of any development to the Natural Heritage System designation, including any crossings, shall be evaluated in conformity with the policies of the Natural Heritage System designation, and the Subwatershed Update Study.

**C.9.5.1.6 Gateway Area**

Lands designated “Business Park Area” with a “Gateway Area” overlay designation on Schedule “C.9.B” shall be reviewed by the Town in accordance with the Urban Design Guidelines. In particular:

- a) development shall predominantly consist of significant, high-profile buildings with strong architectural elements;
- b) buildings shall be a minimum of two storeys in height and shall be encouraged to exceed three storeys; and,
- c) a campus-like design may be considered for this area provided that building massing and siting reflects the prominence of the gateway location.

**C.9.5.1.7 Natural Heritage Oriented Area**

Lands designated “Business Park Area” with a “Natural Heritage Oriented Area” overlay designation on Schedule “C.9.B” shall be reviewed by the Town in accordance with the Urban Design Guidelines. In particular:

- a) Development shall be designated to ensure that buildings and other uses not only capitalize on their location, but that they are sensitive to impacts on the surrounding Natural Heritage System;
- b) Careful consideration shall be given to the design of impervious surfaces and other factors that impact stormwater management including the use of LID practices;
- c) Natural heritage supporting areas and restoration areas which may be located on the site and which have been identified through the SUS and FSEMS shall be considered for integration into the development where feasible in such a way as to link them to the Natural Heritage System; and,
- d) Development shall be designed with a campus-like design to achieve better integration with the surrounding Natural Heritage System.

**C.9.5.1.8 Natural Heritage Oriented Area - Temporary Use Area**

The lands south of the Union Gas Pipeline, east of Sixth Line designated on Schedule “B” as Natural Heritage Oriented Area – Temporary Use shall be subject to the policies of the Natural Heritage Oriented Area. In addition, a study centre shall be permitted as a temporary use subject to specific restrictions in accordance with a decision of the Ontario Municipal Board issued November 1, 2005.

**C.9.5.2 PRESTIGE OFFICE AREA**

**C.9.5.2.1 Purpose**

The Prestige Office Area designation on Schedule “C.9.B” is an employment designation which applies to key sites adjacent to James Snow Parkway at important gateways to the Corporate Business Park.

**C.9.5.2.2 Permitted Uses**

The following uses shall be the only uses permitted on lands with the Prestige Office Area designation, subject to the submission of a development plan which illustrates how the policies of this Plan and the Urban Design Guidelines will be addressed, including elevations and plans:

- a) Offices;
- b) Research and development uses excluding uses which produce biomedical waste;
- c) A maximum of two stand-alone restaurants at each of the intersections of James Snow Parkway and Derry Road, James Snow Parkway and Louis St. Laurent Avenue and Derry Road and Fifth Line each of which has a minimum gross floor area of 500 square metres;

- d) Restaurants and service commercial uses where such uses form part of an office building;
- e) Hotel, conference, convention and banquet facilities uses; and
- f) Theatre/entertainment uses.

**C.9.5.2.3 Site Design**

Lands designated "Business Park Area" with a "Prestige Office Area" designation on Schedule "C.9.B" shall be reviewed by the Town in accordance with the Urban Design Guidelines. In particular:

- a) development shall be designed with significant, high-profile office buildings with strong architectural design;
- b) buildings shall have a minimum height of two storeys and a minimum Floor Space Index of 0.5; and,
- c) the lands in this designation shall be developed with street related sites including a continuous frontage of buildings wherever feasible; and,
- d) no parking shall be located between the building and the street, and surface parking shall be located to the rear and sides of the building. In addition, the amount of lot frontage allocated for surface parking shall be restricted in the zoning by-law and structured or below grade parking is encouraged;
- e) buildings shall be designed to foster an urban character, with the scale and orientation contributing to the pedestrian orientation of the street; and,
- f) careful consideration will be given to the design of impervious surfaces and other factors that impact on stormwater management including the use of LID practices.

**C.9.5.3 INDUSTRIAL AREA**

**C.9.5.3.1** Further to, and in accordance with the policies of Section B.3.9 of this Plan, on lands designated "Industrial Area" on Schedule "C.9.B", notwithstanding the provisions of Section B.3.9.2.1 which permit the full range of light and general industrial uses, the Zoning By-law may not initially permit the full range of such uses on all sites.

**C.9.5.3.2** Sites where uses may be restricted shall include sites adjacent to the railway, Fifth and Sixth Lines, and lands adjacent to the Natural Heritage System designations on Schedule "C.9.B".

**C.9.5.3.3** On sites as identified in Section C.9.5.3.2, or other sites as the Town may determine, the By-law may prohibit specific uses including truck terminals, fuel depots, cement batching and asphalt plants and waste management or composting facilities or similar uses which cannot easily be designed to maintain the high quality development required for such areas. Further, through the By-law or site plan control process, the location and extent of open storage areas may be limited and/or specific buffering may be required.

- C.9.5.3.4** Applications for industrial uses not permitted by the zoning by-law shall be evaluated based on the submission of a development plan which illustrates how the policies of this Plan and the Urban Design Guidelines will be addressed, including elevations and plans; and may be approved provided that the Town is satisfied that the development can be designed to maintain the high quality required for such areas.

**C.9.5.4 NATURAL HERITAGE SYSTEM**

**C.9.5.4.1 Purpose**

Within the Derry Green Corporate Business Park Secondary Plan, the “Greenlands A Area”, and “Greenlands B Area” designations as established in the Official Plan are collectively designated “Natural Heritage System” in order to better reflect the systems approach taken to ensure the protection, preservation and enhancement of the key features, buffers and linkages of which it is composed. The purpose of the Natural Heritage System designation in the Derry Green Corporate Business Park Secondary Plan Area is:

- a) to protect areas which have been identified as having environmental significance based on the functional recommendations of the Sixteen Mile Creek Areas 2 and 7 Subwatershed Update Study, the FSEMS, and CFCEP for the Derry Green Corporate Business Park Secondary Plan Area; and,
- b) to establish a Natural Heritage System, achieving enhanced natural habitat areas and ecological functions that will be resilient to the impacts of the adjacent urban development.

**C.9.5.4.2 Criteria for Designation**

The lands in the Natural Heritage System on Schedules “C.9.A” and “C.9.B” consist of the following key features and functions:

- a) habitat complexes consisting of valleylands, forest, thicket, meadow, wetlands and associated restoration areas;
- b) watercourse corridors; and,
- c) buffers.

**C.9.5.4.3 Permitted Uses**

The Natural Heritage System designation on Schedules “C.9.A” and “C.9.B” means that only the following uses may be permitted subject to the policies of this Section:

- a) recreational trails and similar non-intensive recreation uses;
- b) forest, wildlife and fisheries management;
- c) archaeological activities in accordance with Provincial Ministry requirements; and,
- d) public infrastructure in accordance with Section C.9.4.8

**C.9.5.4.4 Criteria for Habitat Complexes**

The FSEMS identifies the location of habitat complexes consisting of valleylands, forest, thicket, meadow, and wetland and associated restoration areas. The boundaries of habitat complexes shall be determined in accordance with the recommendations of an approved SIS on the basis of the following criteria:

- a) key NHS area defined in the FSEMS;
- b) goals and conservation priorities in the FSEMS; and,
- c) targets and implementation details in the FSEMS.

**C.9.5.4.5 Criteria for Watercourse Corridor Design**

The FSEMS and CFCP identify the approach for watercourse corridor design to be followed in the SIS. The dimensions of watercourse corridors, exclusive of the required buffers set out in the C.9.5.4.6, measured from stable top of bank to stable top of bank, shall be determined in accordance with the recommendations of an approved SIS on the basis of the following criteria:

- a) Meander belt width for natural channel design, including 10% safety factor, and all required fisheries compensation/habitat;
- b) Maintenance of existing riparian storage volumes;
- c) Watercourse corridors designated to contain Region Storm storage shall be sized accordingly;
- d) Construction of a stable valley wall from the toe of the valley wall to the proposed finished grade at the top of valley wall; and,
- e) Provision of flood protection for adjacent properties up to and including the Regional Storm event.

**C.9.5.4.6 Criteria for Buffers**

Buffers shall be provided in accordance with the following:

- a) Watercourse Corridors:  
  
10 metres from the greatest hazard (Regional Storm flood plain or stable top of bank), except where a trail is planned to be located within the buffer, in which case an additional 5 metres will be added to the buffer width and the trail will be located within the outer 5 metre portion of the buffer in accordance with Schedule C.9.A. Notwithstanding the foregoing, where a trail is located within a stormwater management facility adjacent to a watercourse buffer, an additional 5 metre buffer width will not be required;
- b) Woodlots:

10 metres from the drip line except where a trail is planned to be located within the buffer in which case an additional 5 metres will be added to the buffer width and the trail will be located within the outer 5 metre portion of the buffer in accordance with Schedule C.9.A. Where a trail is located within an existing utility easement or an adjacent stormwater management facility, an additional 5 metres buffer width shall not be required;

c) Sixteen Mile Creek (Middle Branch):

30 metres from the greater of the existing physical top of bank or the stable top of bank limit along both sides of the main valley;

d) Wetlands:

- (i) 30 metres from the boundary of all Provincially Significant Wetlands of any size; and,
- (ii) 15 metres from the boundary of all other wetlands.

e) Hedgerows

10 metres from the dripline. Trails may be located within these buffers without augmentation of the 10 m buffer width.

**C.9.5.4.7 Natural Heritage Systems Policies**

- a) The boundaries of the Natural Heritage System designations on Schedules “C.9.A.” and “C.9.B” have been delineated in a conceptual manner based on the functional recommendations of the Sixteen Mile Creek, Subwatershed Planning Study, Areas 2 and 7, Subwatershed Update Study and FSEMS for the Derry Green Corporate Business Park Secondary Plan Area. These boundaries are subject to field verification as part of the preparation of the Subwatershed Impact Studies, and within those areas regulated by Conservation Halton must be consistent with the policies of Conservation Halton;
- b) Where as part of the subwatershed planning process or in the FSEMS and the approval of the Subwatershed Impact Study(s) it is recommended that the boundary of the Natural Heritage System can be altered through the removal, restoration and/or modification or realignment of watercourse corridors, or other features, or the relocation, modification or elimination of restoration areas, or the modification or elimination of wetlands subject to the replication of their function elsewhere in the Natural Heritage System within the Derry Green Corporate Business Park Secondary Plan, and the Town approves the recommendation, in consultation with Conservation Halton, the recommended alteration of the Natural Heritage System boundary can be made without further amendment to this Plan where such works are undertaken in accordance with an approved SIS. Furthermore, the Natural Heritage Systems designation shall be deemed to apply to all lands within the modified boundaries and an adjacent land use designation shall be deemed to apply to any lands removed from the Natural Heritage designation;
- c) Endangered and threatened species were identified in the Derry Green Corporate Business Park Secondary Plan Area through the Subwatershed Update Study. Prior to the earlier of the site alteration, subdivision registration and/or site servicing, the

proponent will be required to address impacts, if any, to endangered and threatened species through consultation with the Ministry of Natural Resources;

- d) The lands within the Natural Heritage System designation are considered to be a crucial part of the proposed Natural Heritage System and open space system intended for the Milton Urban Area and shall be acquired by the Town of Milton in accordance with the policies of Section B.5.9.3.7 of this Plan. However, where any land within the Natural Heritage System designation is held under private ownership, this Plan shall not be construed as implying that such areas are free and open to the general public nor that such lands shall be purchased by the Town or other public agency, but may be required by dedication through the development approval process; and,
- e) Lands within the Natural Heritage System designation shall be enhanced and restored in accordance with the recommendations of the approved FSEMS, CFCEP and SIS. Any requirements for restoration plantings shall be in accordance with Town standards as set out in the FSEMS.

#### **C.9.5.4.8 Implementation - Lands Adjacent to Natural Heritage System**

Prior to development of lands adjacent to the Natural Heritage System, and subsequent to the preparation of the required Subwatershed Impact Study, as a condition of draft plan approval or prior to the site plan approval where necessary, the Town may require the preparation of a detailed implementation plan which defines mitigation plans including matters such as maintenance of clean surface water contribution to watercourses and wetlands, grading, edge management, acceptable construction practices and building placement on each development site. The implementation plan will reflect the recommendations of the Subwatershed Impact Study.

#### **C.9.5.5 ENVIRONMENTAL LINKAGE AREA – PIPELINE EASEMENT**

Further to, and in accordance with, the policies of Section B.3.13, Environmental Linkage Area, of the Official Plan, the following policies apply to the Environmental Linkage Area/Pipeline Easement designation on Schedule “C.9.B” which consists of the Union Gas (or any successor in title) High Pressure Gas Transmission Line Easement:

- a) It is an objective of this Secondary Plan to develop the lands in the Environmental Linkage Area/Pipeline Easement as a part of the Natural Heritage System for the Derry Green Corporate Business Park Planning District;
- b) The permitted uses, in addition to those in Section 3.13.2 of this Plan shall include gas pipelines and related facilities;
- c) No significant structures shall be permitted in the Environment Linkage Area/Pipeline Easement; and,
- d) All uses of, and development within, the Union Gas Easement, including any site alteration, grading or landscaping works, shall be subject to the approval of Union Gas Limited in consultation with the Town.

#### **C.9.5.6 ENVIRONMENTAL LINKAGE AREA**



Further to, and in accordance with, the policies of Section B.3.13, Environmental Linkage Area, of the Official Plan, the following policies apply to the Environmental Linkage Area designation on Schedule "C.9.B" which consists of the local scale linkage components of the Natural Heritage System identified through the Subwatershed Update Study, Areas 2 and 7, FSEMS and an approved Subwatershed Impact Study :

- a) The Environmental Linkage Area designation is shown conceptually on Schedule "C.9.B". This designation is designed to protect lands which have the potential to form linkages in the Natural Heritage System. The designation includes in some cases existing features such as hedgerows, intermittent flow channels or overland flow routes, which have the potential to be rehabilitated or enhanced to form the basis for the linkage, while recognizing that these areas would not generally be subject to any corridor or buffer requirements. They may also be areas where there are no existing features but where trails or landscape areas would be created to form a linkage;
- b) Notwithstanding the permitted uses in Section B.3.13.2, parking lots and recreational trails are prohibited;
- c) It is the objective of the Town to have the lands in the Environmental Linkage Area designation, where their protection is recommended through the approved Subwatershed Impact Study, dedicated to the Town at no cost to the Town; and,
- d) Development in the areas designated "Environmental Linkage Area" shall be in accordance with the policies in Section B.3.13.3 of the Official Plan.

#### **C.9.5.7 RESIDENTIAL SPECIAL POLICY AREA**

**C.9.5.7.1** The Residential Special Policy Area designation is an overlay designation. The lands in the Residential Special Policy Area designation on Schedule "C.9.B" shall be developed in accordance with the underlying land use designation. The Special Policy Area designation identifies an area where there is an existing strip of residential dwellings which are unlikely to be redeveloped in the short term. To recognize this situation the following special policies will apply to the subject lands:

- a) Zoning  
  
The subject lands shall be zoned to permit the existing use and uses related to the residential use, including home occupations. Any new development will require a rezoning and which will be reviewed by the Town in the context of the Secondary Plan policies;
- b) Interim Use  
  
In addition to the uses permitted by the underlying land use designation on Schedule "C.9.B", the Town may rezone the lands to permit the use of the existing residential dwellings, including additions to such dwellings, for office or other uses which are compatible both with the adjacent residential uses and uses permitted by the underlying land use designation.
- c) Abutting Development

Where development is proposed on lands abutting residential development in the Residential Special Policy Area designation, the Town shall give consideration to the provision of landscaping or other buffering on the boundary with the residential use.

**C.9.5.8 PARKWAY BELT WEST PLAN/UTILITY CORRIDOR AREA**

The Parkway Belt West Plan Area designation on Schedules "C.9.A" and "C.9.B" shall be subject to the policies of Section B.4.6 of this Plan.

**C.9.5.9 STORM WATER MANAGEMENT FACILITY/LOW IMPACT DEVELOPMENT PRACTICES**

**C.9.5.9.1** The Stormwater Management Facility designation on Schedules "C.9.A" and "C.9.B" represents a general location for these facilities. The location and configuration of the Stormwater Management Facilities shall be more specifically delineated in the FSEMS. They will be further refined through the applicable Subwatershed Impact Studies and through Stormwater Management Plans prepared in support of individual development applications. Through the preparation and review of these studies and plans, careful consideration shall also be given to the use of low impact development (LID) practices for stormwater management including the design of impervious surfaces and other factors that positively impact on stormwater management. Through these studies, the management of stormwater from public property, including Regional roadways, shall also be accommodated.

**C.9.5.9.2** Stormwater Management Facility sites may be relocated or consolidated without an amendment to this Plan, subject to the approval of the Town and relevant agencies, provided alternative sites are consistent with the goal, objectives and policies of this Secondary Plan and the Sixteen Mile Creek, Subwatershed Update Study, Areas 2 and 7, 2010, FSEMS, Conceptual Fisheries Compensation Plan and Subwatershed Impact Studies.

**C.9.5.10 COMMUNITY PARK AREA**

The Community Park Area policies in Section B.3.11 of this Plan shall apply to the lands in the Community Park Area designation on Schedule "C.9.B". This Park is intended to serve all the residents in the Town. It will include a range of active recreation facilities, including major indoor recreation facilities such as arenas and community centres, as well as passive open space and unique attractions.

**C.9.6 IMPLEMENTATION**

Further to, and in accordance with, the existing Implementation policies of Section B. 5.0 of this Plan, the following policies are applicable to the Derry Green Corporate Business Park Planning District.

**C.9.6.1 PHASING AND FINANCE**

**C.9.6.1.1** In order to implement the policy of this Secondary Plan set out in Section C.9.1.1, applications for development in the Secondary Plan area shall only be approved, and development shall only proceed in accordance with the phasing policies of Section C.9.6.1.2, and when:

- a) the *Long-Term Fiscal Impact Assessment of Growth* dated December 6, 2010 prepared by Watson & Associates Economists Ltd. as modified by Report CORS – 063-12 is approved by Council;
- b) the Town has in full force and effect, and not subject to appeal, a Development Charges By-law enacted under the Development Charges Act, 1997 or any successor legislation, identifying and imposing charges applicable to the lands in the Secondary Plan area;
- c) Landowners in the Secondary Plan area have entered into an agreement or agreements with the Town for the provision of funds or the provision of services or both in accordance with the recommendations of the *Long-Term Fiscal Impact Assessment of Growth* prepared by Watson & Associates Economists Ltd. as modified by Report CORS – 063-12; and the following:
  - i) in order to reflect particular circumstances that may apply to an individual phase or phases of development within the Secondary Plan area, the Town may require a separate agreement or agreements with the landowners within each phase or phases; and,
  - ii) landowners who are not parties to the original agreements referred to in subsections c) and c)i) herein shall enter into agreements assuming all the rights and obligations of the agreements as applicable, as if they had been original signatories to that agreement;
- d) Landowners in the Secondary Plan area have entered, or will enter, into a private cost sharing agreement or agreements amongst themselves to address the distribution of costs of development for the provision of matters such as community and infrastructure facilities; and,
- e) Any additional requirements of the Town and/or Regional Municipality of Halton are satisfied.

**C.9.6.1.2**

In addition to the policies of Section C.9.6.1.1, development in the Derry Green Corporate Business Park shall proceed in three phases as designated on Schedule “C.9.C”, as well as a Potential Future Phase. Prior to the commencement of development in each phase, the policies of Section C.9.6.1.1 shall be satisfied and confirmation shall be received from the Regional Municipality of Halton that water and wastewater services can be provided, and the following conditions must be met:

- a) Phase 2 - 60% of the developable land in Phase 1 must be in registered plans of subdivision or approved site plans prior to commencement of development in Phase 2;
- b) Phase 3 - 60% of the developable land in Phase 2 must be in registered plans of subdivision or approved site plans prior to commencement of development in Phase 3; and,
- c) Potential Future Phase – the Town and Regional Municipality of Halton are satisfied that the lands can be appropriately provided with water and wastewater services.

Notwithstanding, the policies in Section C.9.6.1.2 and the phasing shown on Schedule “C.9.C”, the phasing may change as a result of the approval and the implementation of the *Long-Term Fiscal Impact Assessment of the Growth* dated December 6, 2010 prepared by

C.9-23

Watson & Associates Economists Ltd. as modified by Report CORS – 063-12 or other considerations including the timing of servicing availability in accordance with the policies set out in Section C.9.6.1.1; and Section C.9.6.1.2 and Schedule “C.9.C” can be modified by the Town without amendment to this Plan.

**C.9.6.1.3** Building Permits shall only be issued when the criteria in Sections B.5.2.3.15 and C.9.6.1.1 of this Plan are satisfied and, in accordance with the requirements for the provision of services established in the Derry Green Corporate Business Park Water and Wastewater Servicing Area Servicing Plan. In addition, building permits for individual plans of subdivision or phases thereof and site plan applications in the Derry Green Corporate Business Park shall only be issued when the following criteria are satisfied with each criteria to be included as a condition of draft plan approval or site plan approval, whichever is applicable, and to be effected upon registration of a subdivision agreement or site plan agreement:

- a) Lands designated “Natural Heritage System” and “Environmental Linkage Area” has been dedicated to either the Town or to Conservation Halton if so directed by the Town;
- b) Stormwater management facilities have been constructed and dedicated to the Town, provided the Town may approve the use of temporary stormwater facilities where it is not yet possible to construct the permanent facilities. If the Town approves the use of such temporary facilities, the subdivision agreement or site plan agreement as applicable, shall require the posting of financial securities to the satisfaction of the Town for construction of the permanent facilities. Temporary stormwater management facilities shall only be considered where they have been contemplated and addressed in the approved Subwatershed Impact Study; and
- c) Lands required for large utility structures shall be shown as block(s) and/or easements on a draft plan of subdivision and location shall be confirmed as a condition of draft plan approval or site plan approval, to the satisfaction of the utility provider and the Town.

**C.9.6.1.4** Notwithstanding the foregoing policies of Section C.9.6.1.2:

- a) Federal, Provincial, Regional and Town owned and/or operated public infrastructure and services as permitted by Section C.9.4.8 may proceed at any time even if the precise requirements of Section C.9.6.1.2 above have not been satisfied; and
- b) The Town may, at its sole discretion, but subject to the Regional Municipality of Halton’s confirmation of available servicing, determine that a regionally or locally-significant employment development proposal within the Secondary Plan that falls outside of Phase 1 can proceed, even if the precise requirements of Section C.9.6.1.2 above are not fully met, if it can be demonstrated to the Town that such a proposal is in accordance with the general purpose and intent of the general goal and objectives of the Derry Green Corporate Business Park Secondary Plan, and if there are no unacceptable negative impacts to the Town or the Regional Municipality of Halton as determined by Council at its sole discretion.

**C.9.6.1.5** Prior to approval of development within the Secondary Plan area, all interested telecommunications providers and other utilities are to confirm if services can be provided to support the proposed development, and shall determine appropriate locations for large utility equipment or utility cluster sites.

All interested telecommunications providers and other utilities wishing to be located within a development areas should be located within an initial common trench, whenever possible, to avoid unnecessary over digging and disruption on municipal rights of way.

Consideration shall be given to the location of utilities within public rights of way as well as on private property. Utilities shall be grouped/clustered or combined where possible to minimize visual impact. Utilities shall be placed in such a manner so as to not visually detract from the streetscape. The Town shall encourage utility providers to consider innovative methods of containing utility services on or within the streetscape features such as gateways, light standards, bulk water meters and transit shelters.

The Town supports where feasible the provision of electronic communication technology involving high capacity fibre optics to enhance telecommunication services within the Secondary Plan Area.

**C.9.6.2            ZONING BY-LAW**

**C.9.6.2.1**        This Secondary Plan shall be implemented by an appropriate amendment(s) to the Town's comprehensive Zoning By-law in accordance with the policies of this Secondary Plan and Section B.5.5 of this Plan.

**C.9.6.3            CONSENTS**

**C.9.6.3.1**        Subdivision of land shall generally take place by plan of subdivision in the Derry Green Corporate Business Park Planning District. Consents may be permitted in accordance with the provisions of Section B.5.7 of this Plan and the applicable provisions of this Secondary Plan, provided that any consent shall not prejudice the implementation of this Secondary Plan.

**C.9.6.4            ENVIRONMENTAL ASSESSMENT**

**C.9.6.4.1**        The water, wastewater and roads projects identified by this Secondary Plan are subject to the provisions of the Municipal Engineers Association Class Environmental Assessment, 2000, as updated 2007 or its successors.

The provisions of the Class Environmental Assessment must be met in this Secondary Plan or as outlined in the following:

- a)        Water and Wastewater Projects Halton Urban Structure Plan, Sustainable Halton Water and Wastewater Master Plan (2011), or as amended;
- b)        Transportation Projects – This Secondary Plan together with the Transportation Master Plan To 2031 –The Road to Change;
- c)        Sixteen Mile Creek, Areas 2 and 7, Subwatershed Update Study, 2010.

**C.9.6.4.2**        Projects which are not specifically addressed in the above noted documents, or in this Secondary Plan, are generally either exempt from the provisions of the Class EA or will be addressed by the approvals provided for under the Planning Act, (i.e. subdivision approvals).

**C.9.6.5            COMPLETE APPLICATION REQUIREMENTS**

All privately initiated planning applications, except those under Section 45 of the Planning Act, shall satisfy the requirements of the Section B.5.3.4 of this Plan with respect to the requirements of a complete application. In addition, the SUS, FSEMS and CFCP must have been completed to the satisfaction of the Town and the Region of Halton, in consultation with Conservation Halton and where applicable, Provincial and Federal Authorities. Furthermore, prior to the making of any application for draft plan approval, a SIS shall be prepared in accordance with the policies of Section C.9.4.5.4 of this Plan. An application for draft plan approval shall not be considered to be complete unless it reflects the results of the SIS, or provides justification for changes to the SIS satisfactory to the Town.

**C.9.6.6 EMPLOYMENT LAND CONVERSION**

**C.9.6.6.1** It is the policy of the Town to protect and preserve employment areas.

**C.9.6.6.2** Employment Areas are defined in the Derry Green Corporate Business Park Secondary Plan as all lands designated as “Business Park Area”, “Prestige Office Area” and “Industrial Area” on Schedule “C.9.B”.

**C.9.6.6.3** Amendments to this Plan that have the effect of reducing the extent of any Employment Area designation can only be considered at the time of a Municipal Comprehensive Review as defined by this Plan.

**C.9.6.6.4** The conversion of lands within Employment Areas to non-employment uses, including major retail uses, shall be prohibited unless approved through a Municipal Comprehensive Review where the following conditions have been satisfied:

- a) there is a demonstrated need for the uses proposed by the conversion;
- b) the conversion will not compromise the ability of the Town to meet the employment targets provided in Section 2.1.4 of this Plan;
- c) the conversion will not adversely affect the overall viability of the Employment Area and achievement of the intensification targets, density targets and other policies of this Plan;
- d) the conversion will not impact the ability of adjacent lands or development to be used or continue to be used for employment purposes;
- e) there is existing or planned infrastructure to accommodate the proposed conversion;
- f) the lands are not required for employment purposes over the long-term;
- g) cross-jurisdictional issues have been considered; and,
- h) all other policies and requirements of this Plan, financial and otherwise have been satisfied.

APPENDIX C.9.A

DERRY GREEN CORPORATE BUSINESS PARK  
STATISTICAL SUMMARY

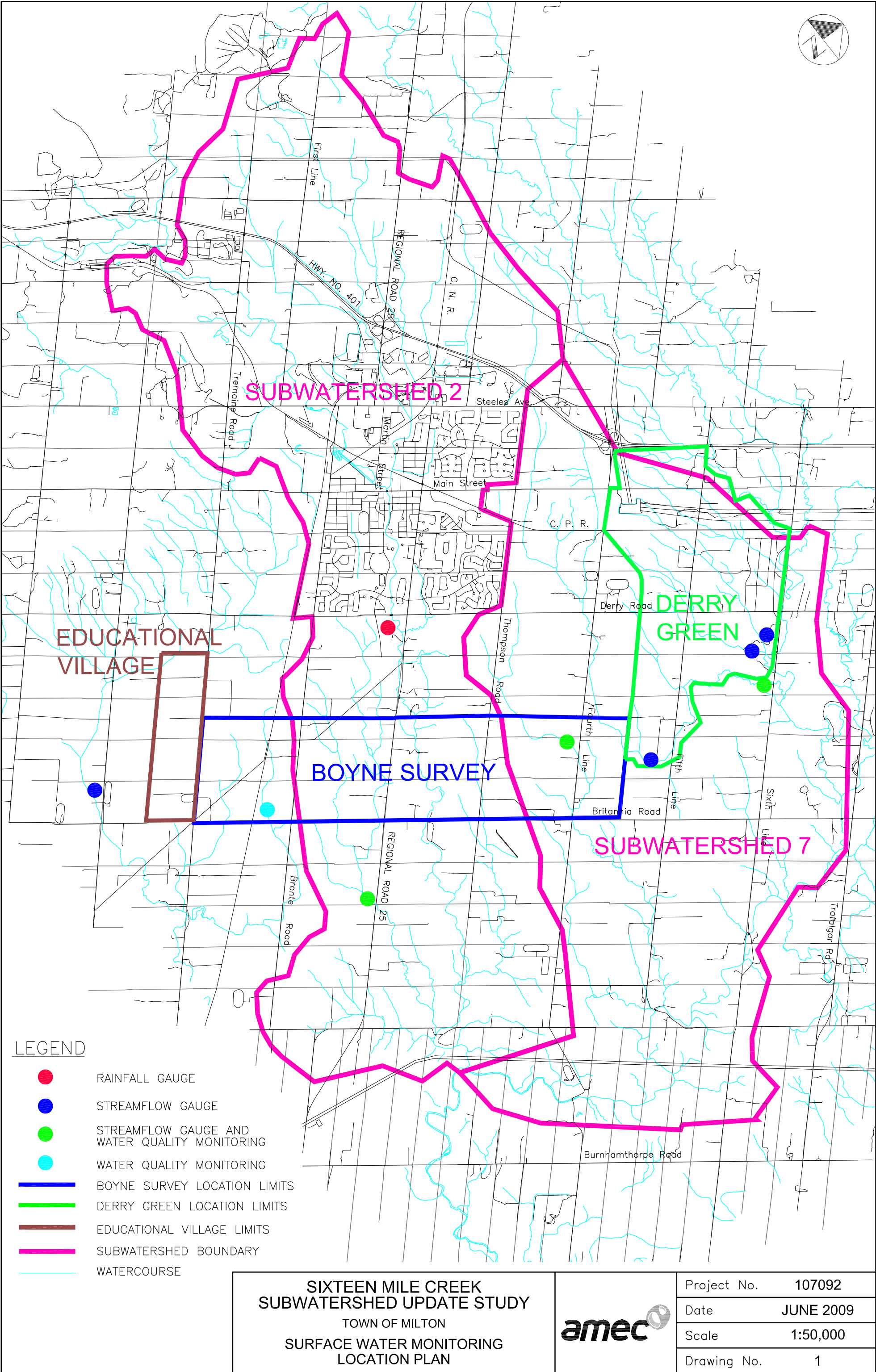
**Town of Milton Derry Green Corporate Business Park Secondary Plan**  
**Land Use Areas (hectares)**

Land Use	Gross Area	SWM	Local Roads	Net Area
Business Park	181.50	13.46	18.15	149.89
Gateway	53.80	3.41	5.38	45.01
Street Oriented	45.85	2.12	4.59	39.15
Natural Heritage Oriented	50.28	3.62	5.03	41.63
<b>Sub-total Business Park</b>	<b>331.43</b>	<b>22.61</b>	<b>33.14</b>	<b>275.68</b>
Industrial	125.64	8.85	12.56	104.23
Prestige Office	12.35	0	1.24	11.12
<b>Total Developable Land Area</b>	<b>469.42</b>	<b>31.46</b>	<b>46.94</b>	<b>391.02</b>
Natural Heritage System	109.72			
Linkage Area	7.53			
Utility Corridor	93.06			
Go Transit Yard	5.05			
Union Gas	10.05			
Roads				
Local	46.94			
Collector	20.03			
Existing	24.79			
Canadian Pacific Railway	4.74			
Community Park	7.71			
Stormwater Management Ponds	31.46			
<b>Total Land Area</b>	<b>752.10</b>			



**APPENDIX C.9.B  
DERRY GREEN CORPORATE BUSINESS PARK  
SUBWATERSHED AREA MAP**

G:\Work\108159\water\DWG\REPORT\09-06-08\DWG1.dwg

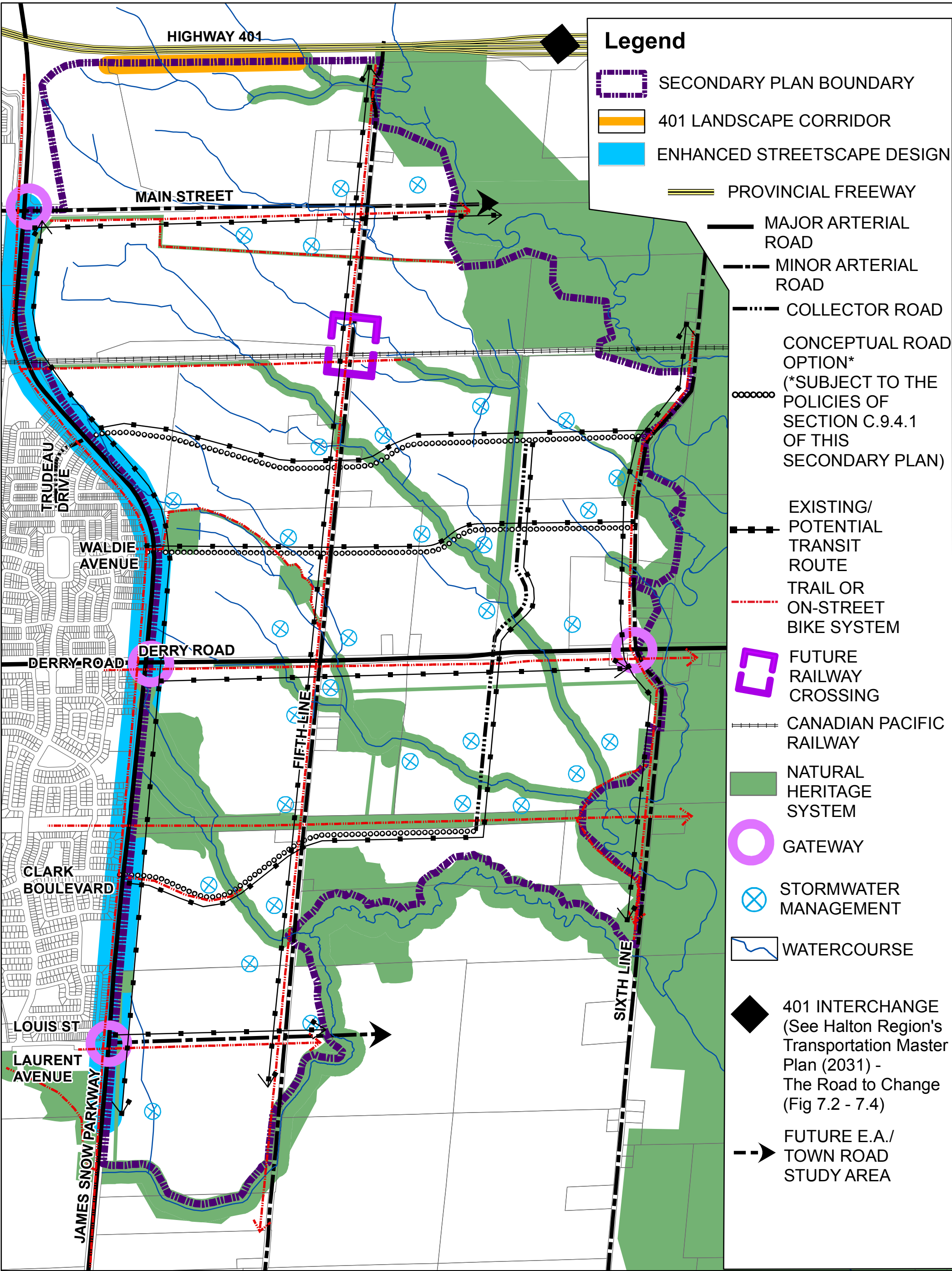




# TOWN OF MILTON OFFICIAL PLAN Schedule C-9-A



## DERRY GREEN CORPORATE BUSINESS PARK STRUCTURE PLAN







# TOWN OF MILTON

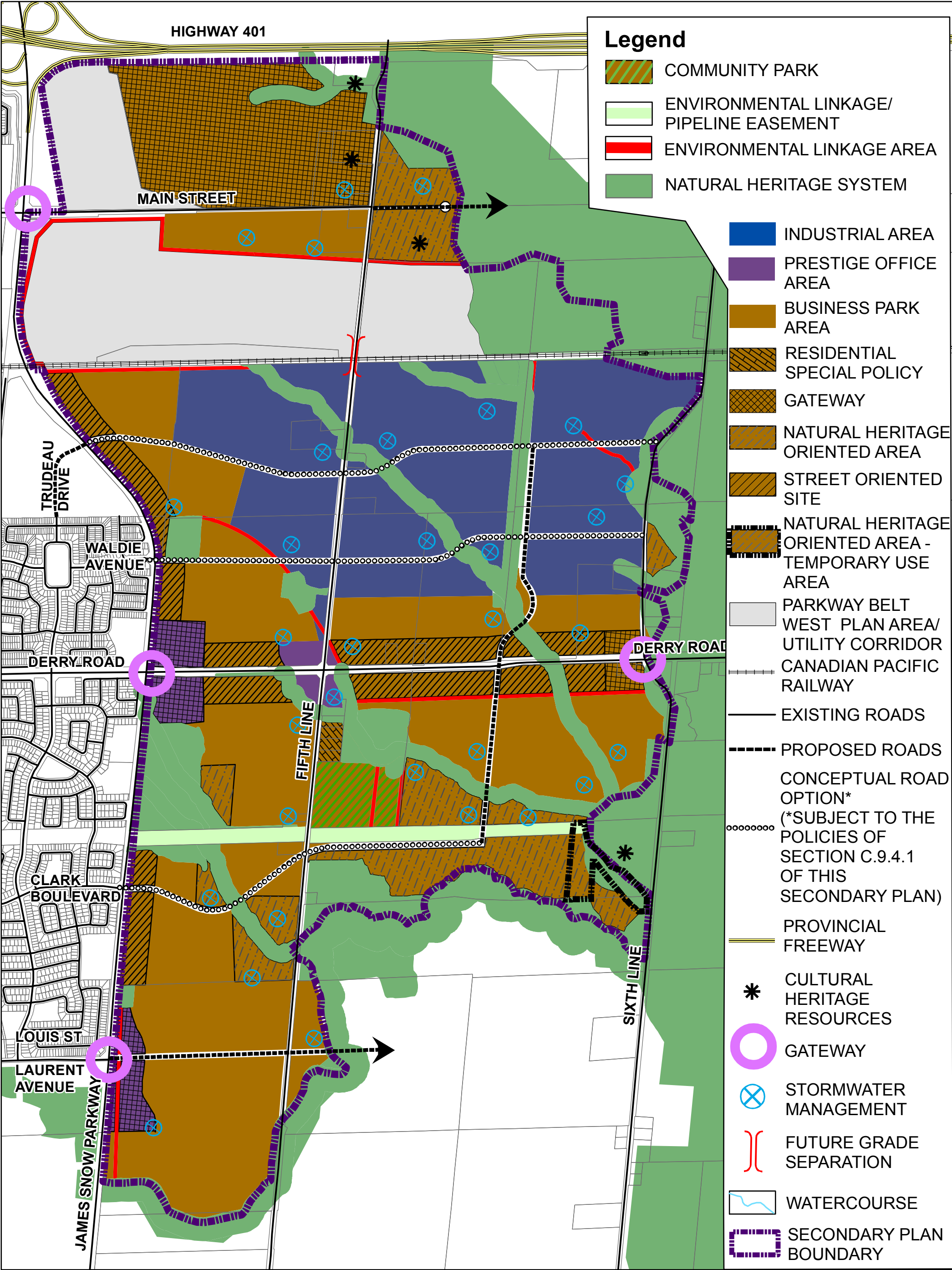
## OFFICIAL PLAN

### Schedule C-9-B



## DERRY GREEN CORPORATE BUSINESS PARK

### LAND USE PLAN







# TOWN OF MILTON

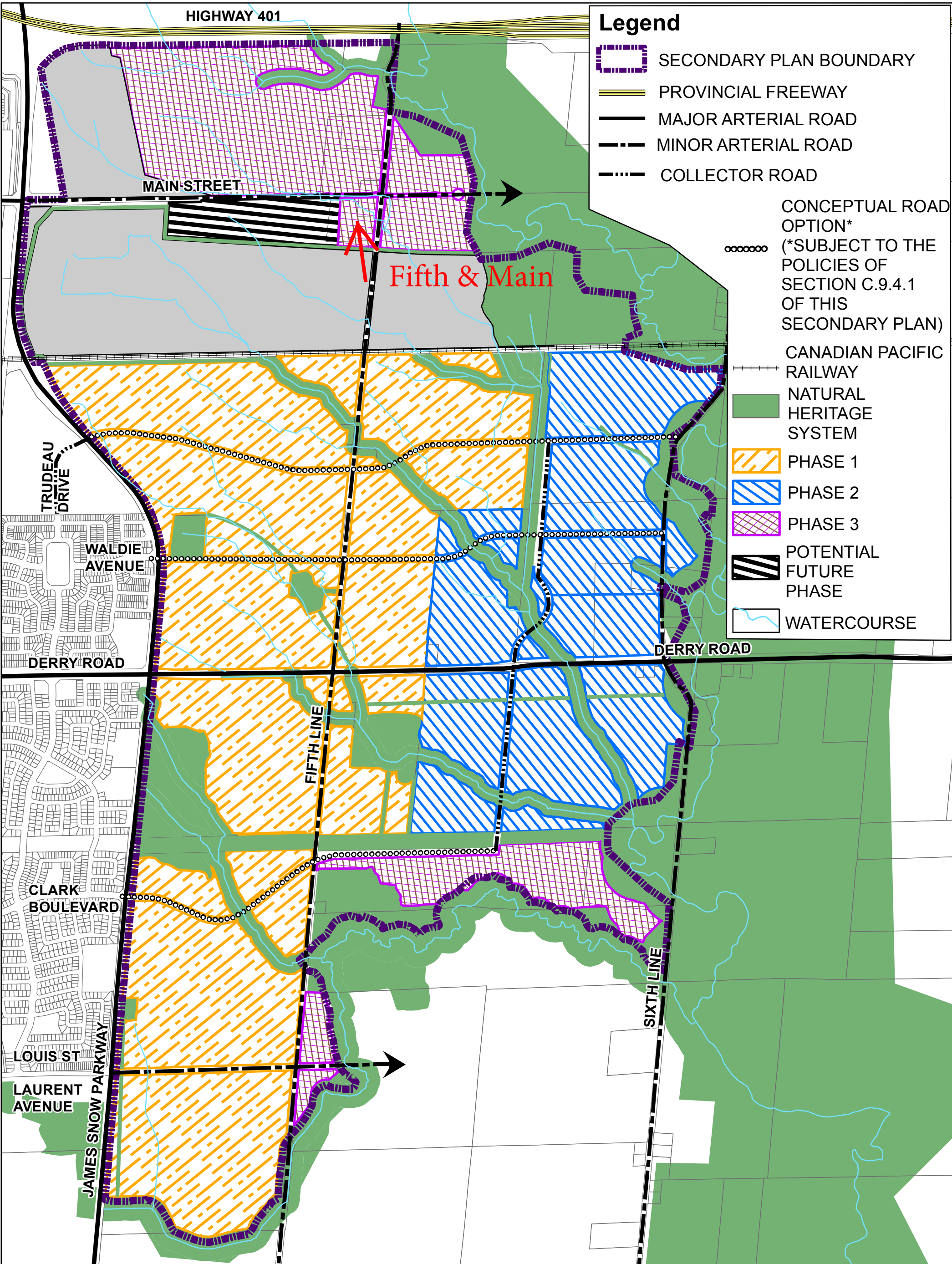
## OFFICIAL PLAN

### Schedule C-9-C



## DERRY GREEN CORPORATE BUSINESS PARK

### PHASING PLAN



## Attachment F

### Email Chain Between Milton Hydro and Colliers International

**From:** Markic, Jozo [mailto:Jozo.Markic@colliers.com]  
**Sent:** August-06-15 5:08 PM  
**To:** Mary-Jo Corkum; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray; Cameron McKenzie  
**Subject:** RE: Appraisal

Hi Mary-Jo,

Please see attached the Final copy. We have included a new cover shot.  
Let me know if you have any questions.

Thanks,

**Jozo Markic**

Analyst

**Direct +1 416 643 3489** | [View my profile](#)  
[Jozo.Markic@colliers.com](mailto:Jozo.Markic@colliers.com)

**Colliers International**

1 Queen Street East, Suite #2200 | Toronto, ON M5C 2W5 | Canada  
Main +1 416 777 2200 | Fax +1 416-643-3470

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**From:** Mary-Jo Corkum [mailto:MaryJoCorkum@miltonhydro.com]  
**Sent:** Thursday, August 06, 2015 4:13 PM  
**To:** Markic, Jozo; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray; Cameron McKenzie  
**Subject:** RE: Appraisal

One more thing – can you please change the cover picture – the site was intended for a future office site. It would be confusing for the OEB to see a sign that it is for a future transformer station. Can you use one of the other pictures where you cannot see the sign. Thanks. Otherwise, it is good to finalize.

Thanks

Mary-Jo Corkum, CPA, CA  
Vice President, Finance  
Milton Hydro Distribution Inc.  
8069 Lawson Road  
Milton, ON L9T 5C4  
[maryjocorkum@miltonhydro.com](mailto:maryjocorkum@miltonhydro.com)  
289-429-5210 (direct)  
905-876-2044 (fax)

**From:** Markic, Jozo [<mailto:Jozo.Markic@colliers.com>]  
**Sent:** August-05-15 1:54 PM  
**To:** Mary-Jo Corkum; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray; Cameron McKenzie  
**Subject:** RE: Appraisal

Hi Mary-Jo,

Please see attached a revised Draft and a Reliance Letter for TD Bank.  
We have included Ontario Energy Board in the Terms of Reference as a permitted user of the report.

Once you are satisfied with the report, we can provide you with a Final copy.  
Please let me know if you have any other questions.

Thanks,

**Jozo Markic**

Analyst

**Direct +1 416 643 3489** | [View my profile](#)  
[Jozo.Markic@colliers.com](mailto:Jozo.Markic@colliers.com)

**Colliers International**

1 Queen Street East, Suite #2200 | Toronto, ON M5C 2W5 | Canada  
Main +1 416 777 2200 | Fax +1 416-643-3470

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**From:** Mary-Jo Corkum [<mailto:MaryJoCorkum@miltonhydro.com>]  
**Sent:** Tuesday, August 04, 2015 5:49 PM  
**To:** Markic, Jozo; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray; Cameron McKenzie  
**Subject:** RE: Appraisal

Our TD Relationship Manager is

Oz Zafar  
TD Commercial Banking  
Halton Commercial Banking Centre  
5515 North Service Rd., Suite 103  
Burlington, ON L7L 5H7  
T: (905) 336-3549 F: (905) 336-7712  
C: (905) 220-4744  
[oz.zafar@td.com](mailto:oz.zafar@td.com)

We will also need to file the appraisal with the Ontario Energy Board. Do you need a specific name as well.



Mary-Jo Corkum, CPA, CA  
Vice President, Finance  
Milton Hydro Distribution Inc.  
8069 Lawson Road  
Milton, ON L9T 5C4  
[maryjocorkum@miltonhydro.com](mailto:maryjocorkum@miltonhydro.com)  
289-429-5210 (direct)  
905-876-2044 (fax)

**From:** Markic, Jozo [<mailto:Jozo.Markic@colliers.com>]  
**Sent:** August-04-15 5:42 PM  
**To:** Mary-Jo Corkum; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray  
**Subject:** RE: Appraisal

Perfect. Thanks Mary-Jo.

Also, could you please provide us with the name, title, and mailing address of the individual you are working with at TD for the refinancing? We will draft a reliance letter for their purposes and send to you tomorrow with the updated draft.

Thanks,

**Jozo Markic**

Analyst

**Direct +1 416 643 3489** | [View my profile](#)  
[Jozo.Markic@colliers.com](mailto:Jozo.Markic@colliers.com)

**Colliers International**

1 Queen Street East, Suite #2200 | Toronto, ON M5C 2W5 | Canada  
Main +1 416 777 2200 | Fax +1 416-643-3470

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**From:** Mary-Jo Corkum [<mailto:MaryJoCorkum@miltonhydro.com>]  
**Sent:** Tuesday, August 04, 2015 5:32 PM  
**To:** Markic, Jozo; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray  
**Subject:** RE: Appraisal

Tomorrow end of day is fine. If you don't need the assessment, then I will not send it along.

Mary-Jo Corkum, CPA, CA  
Vice President, Finance  
Milton Hydro Distribution Inc.  
8069 Lawson Road

Milton, ON L9T 5C4  
[maryjocorkum@miltonhydro.com](mailto:maryjocorkum@miltonhydro.com)  
289-429-5210 (direct)  
905-876-2044 (fax)

**From:** Markic, Jozo [<mailto:Jozo.Markic@colliers.com>]  
**Sent:** August-04-15 5:30 PM  
**To:** Mary-Jo Corkum; Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray  
**Subject:** RE: Appraisal

Hi Mary-Jo,

Thank you for your comments.

We will conduct the inspection of the property tomorrow morning. We're aiming to have a revised draft to you for end of day tomorrow.

As for the tax assessment notice – we can include this in the report if you would like, however, it will not affect value. Please pass along the notice if you would like us to include it.

Let me know if an updated draft for end of day tomorrow works for you.

Thanks,

**Jozo Markic**

Analyst

**Direct +1 416 643 3489** | [View my profile](#)  
[Jozo.Markic@colliers.com](mailto:Jozo.Markic@colliers.com)

**Colliers International**

1 Queen Street East, Suite #2200 | Toronto, ON M5C 2W5 | Canada  
Main +1 416 777 2200 | Fax +1 416-643-3470

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**From:** Mary-Jo Corkum [<mailto:MaryJoCorkum@miltonhydro.com>]  
**Sent:** Tuesday, August 04, 2015 12:12 PM  
**To:** Bruchkowsky, Matthew; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray; Markic, Jozo  
**Subject:** RE: Appraisal

Hi Matthew:

A couple of questions:

- Page 6 – does not reflect the gated area on the MH property? How often is google maps updated – I just checked and it does not show it?
- Page 18 and Page 19 – duplicated?

- Page 43 – use of the report. It says that the report can only be used for internal purposes and “it is not reasonable for any other person to rely ... on this report without the written permission of Mary-Jo Corkum and the author of the report...” – as you know we need this appraisal report for regulatory purposes to be filed with our rate application to be submitted in August 2015. In addition, our bank, TD, has asked for a copy of the appraisal report for re-financing purposes. Is there a template letter that you need to be filed by MH in order to allow us to share the final document?

Other than those comments, the document looks good. Thank you again for your prompt response to our request for the appraisal. Is there anything else you need from us. It looks like an inspection is outstanding – do you require the most recent property tax assessment notice?

Mary-Jo Corkum, CPA, CA  
Vice President, Finance  
Milton Hydro Distribution Inc.  
8069 Lawson Road  
Milton, ON L9T 5C4  
[maryjocorkum@miltonhydro.com](mailto:maryjocorkum@miltonhydro.com)  
289-429-5210 (direct)  
905-876-2044 (fax)

**From:** Bruchkowsky, Matthew [<mailto:Matthew.Bruchkowsky@colliers.com>]  
**Sent:** July-29-15 12:54 PM  
**To:** Mary-Jo Corkum; Andros, Demetri; Frank Lasowski  
**Cc:** Cynthia Murray; Markic, Jozo  
**Subject:** RE: Appraisal

Hi Mary-Jo,  
Please find the Draft report attached.  
We will include a cover shot and inspection photos in the final.  
Please feel free to reach out at any time if you have any questions or comments.  
Thanks,

**Matthew Bruchkowsky** AACI, P.App  
Senior Director  
**Direct +1 416 643 3757** | Mobile +1 647 832 5462 | [View my profile](#)  
[Matthew.Bruchkowsky@colliers.com](mailto:Matthew.Bruchkowsky@colliers.com)

**Colliers International**  
1 Queen Street East, Suite #2200 | Toronto, ON M5C 2W5 | Canada  
Main +1 416 777 2200 | Fax +1 416-643-3470

Attachment G

Colliers Addendum & Appraisal Fifth Line & Main –Typographical Errors  
Corrected



August 4, 2016

Our File No. TOR-15-621

Milton Hydro  
8069 Lawson Road  
Milton, Ontario L9T 5C4

**Attention: Mary-Jo Corkum**

Dear Ms. Corkum;

**RE: Addendum to the Full Narrative Appraisal Report  
6.43 Acres of Land at 5th Line & Main Street, Milton, Ontario**

---

The Toronto Valuation and Advisory Services Division of Colliers International Realty Advisors Inc. completed an appraisal of the above referenced property with an effective date of August 5, 2015 (our file no. TOR-15-621). The referenced appraisal concluded with a property market value estimate of \$2,400,000 based upon the Direct Comparison Approach. On August 1, 2016, there were typographical errors found in the appraisal report, which this Addendum addresses. This Addendum will amend the Full Narrative Appraisal Report with the following corrections:

- Page V: Under the "Value Approach" heading, Rate per Acre was incorrectly noted at \$425,000 per acre. The intended figure was \$375,000 per acre as found in the value conclusion.
- Page 31: In the analysis of Index 3, the last sentence incorrectly noted a rate per acre for the comparable at \$246,558 per acre. The intended figure was \$339,217.
- Page 33: Under the Final Estimate of Value, paragraph 3 incorrectly noted that a rate in the range of \$400,000 and \$450,000 would be reasonable for the Subject Parcel. The intended figures were \$350,000 and \$400,000 per acre as found in the Value Matrix.

In conducting this Addendum, we have not completed a new inspection or analysis of the property. This Addendum should not be misconstrued as an updated appraisal. The analysis and the final value conclusion derived in the original appraisal report (our file no. TOR-15-621) remain unchanged. It is assumed herein that there are no material physical changes to the property, including any change in site area or land use controls, which would impact the original value.



Yours sincerely,

COLLIERS INTERNATIONAL REALTY ADVISORS INC.

A handwritten signature in blue ink, appearing to read "M. Bruchkowsky".

Matthew Bruchkowsky, AACI P. App.  
Senior Director  
Valuation & Advisory Services, Toronto



---

# Full Narrative Appraisal

5th Line and Main Street East

Milton, Ontario

July 2015

---

**PREPARED BY:**

Matthew Bruchkowsky, AACI, P. App.  
Senior Director  
Valuation & Advisory Services

**PREPARED FOR:**

Mary-Jo Corkum  
Director, Finance  
Milton Hydro Distribution Inc.



TOR-15-621

August 5, 2015

Milton Hydro Distribution Inc.  
8069 Lawson Road  
Milton, Ontario, L9T 5C4

Attention: Mary-Jo Corkum

Dear Ms. Corkum;

**RE: Full Narrative Value of a Future Development Site at 5<sup>th</sup> Line and Main Street East, Milton, Ontario.**

---

In accordance with your request, we have inspected the property described above and have carried out a Full Narrative Appraisal in order to estimate the current market value of the property as at the effective date of the valuation, for internal purposes.

Based on our analysis, the market value of the subject property, subject to the Extraordinary Assumptions on page 3, and the Contingent and Limiting Conditions listed in Appendix A, and as at August 5, 2015 is estimated to be;

**Based on our analysis, our estimate of market value of the Subject is:**

**\$2,400,000**

**Two Million Four Hundred Thousand Dollars**

The value estimates are based on an exposure time of four to six months, which is assumed to precede the valuation date.

Yours very truly,

**COLLIERS INTERNATIONAL REALTY ADVISORS INC.**

A handwritten signature in blue ink, appearing to read "M. Bruchkowsky", with a stylized flourish at the end.

Matthew Bruchkowsky, AACI P. App.  
Senior Director  
Valuation & Advisory Services, Toronto





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# Executive Summary

## 6.43 ACRES LOCATED AT 5<sup>TH</sup> LINE AND MAIN STREET EAST, MILTON, ONTARIO

Date of Appraisal	<ul style="list-style-type: none"><li>• August 5, 2015</li></ul>
Property Type	<ul style="list-style-type: none"><li>• Industrial land</li></ul>
Rights Appraised	<ul style="list-style-type: none"><li>• Fee Simple Interest</li></ul>
Purpose and Function	<ul style="list-style-type: none"><li>• The purpose is to estimate the current market value of the Subject parcel.</li><li>• The function of the report is for internal purposes only.</li></ul>
PIN Numbers	<ul style="list-style-type: none"><li>• 250750982</li></ul>
Registered Owner	<ul style="list-style-type: none"><li>• Milton Hydro Distribution Inc.</li></ul>
Legal Description	<ul style="list-style-type: none"><li>• PT LT 13, CON 5 NS TRAF, PTS 1, 2 &amp; 3, 20R18236; MILTON. TOGETHER WITH AN EASEMENT AS IN 408370</li></ul>
Assessment Roll	<ul style="list-style-type: none"><li>• 1901126550001000000</li></ul>

### Site Description

The Subject parcel is located on the southern corner of Main Street East and 5<sup>th</sup> Line in Milton.

Site Area	<ul style="list-style-type: none"><li>• 6.43 acres (Source: GeoWarehouse)</li></ul>
Configuration	<ul style="list-style-type: none"><li>• Irregular</li></ul>
Services	<ul style="list-style-type: none"><li>• Municipal services are not available.</li></ul>

### Land Use Controls

Official Plan	<ul style="list-style-type: none"><li>• As per the Town of Milton Official Plan, the Subject is located within an Industrial Area. The Town of Milton is in the process of implementing a Secondary Plan which will designate the property as a Business Park.</li></ul>
---------------	--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------

### Zoning By-Law

- Currently, the Subject is zoned FD, a future development designation.

### Servicing

- Currently, the Subject parcel is not serviced (Source: Town of Milton)

### Compliance

- The subject Property is current vacant and unimproved. A gated fence exists, in which Milton Hydro Distribution Inc temporarily stores items. As per the zoning bylaw, no development can commence with until the FD zoning is replaced. The use is in compliance with the intent of the Derry Green Corporate Business Park Secondary Plan once completed and in force.

### Highest and Best Use

- The Derry Green Corporate Business Park Secondary Plan will allow for Light Industrial and Office uses. Given the poor performance of suburban office assets in superior suburban markets, we feel it is unlikely that a developer would construct an office building. In addition to this, Milton has been a successful growing industrial hub, focused on light industrial uses such as logistics and warehousing. Provided that these two trends continue for the foreseeable future, we feel the highest and best use would be Industrial

### Value Approach

#### Effective Date

- August 5, 2015

#### Rate per Acre

- \$375,000

#### Size (Acres)

- 6.43

#### Value Estimate

- \$2,400,000

#### Exposure Time

- Four to six months

## A map of the Greater Toronto Area (GTA) showing the locations of several cities. A blue star marks the city of Milton, which is situated west of Mississauga and south of Brampton. Other labeled cities include Erin, Brisbane, Halton Hills, Georgetown, Rockwood, Eden Mills, Morriston, Puslinch, Oakville, and North York. Major highways are shown as thick black lines with route numbers in white boxes, including 10, 4, 7, 124, 125, 1, 107, 401, 407, 427, 403, 19, 5, 25, and 34. The map also shows green areas representing parks or forests and blue areas representing water bodies.

## Photographs of Subject



VIEW OF SUBJECT SITE



VIEW OF SUBJECT SITE



VIEW EAST ALONG MAIN STREET



VIEW NORTH ALONG 5<sup>TH</sup> LINE



# Terms of Reference

## Purpose and Function of Report

The **purpose** is to estimate both the Subject's current market value "As Is" as at the date of valuation, August 5, 2015. This appraisal was written for **Milton Hydro Distribution** for **internal purposes**. In addition, **Ontario Energy Board** may rely on this appraisal for **regulatory purposes**. **Mary-Jo Corkum of Milton Hydro Distribution Inc.** has requested this report. This report has been prepared only for the party named above and only the specific use stated.

## Property Rights

The property rights appraised are those of Fee Simple Interest.

## Effective Date

The effective date of this valuation is August 5, 2015.

## Inspection Date

An inspection of the property was conducted on August 5<sup>th</sup>, 2015 by Jozo Markic, AIC Candidate.

## Market Value Definition

For the purposes of this valuation, market value is defined as:

*"The most probable 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 this definition is the consummation of a sale as of the specific 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 acting in what they consider to be in their best interests;
3. A reasonable time is allowed for exposure in the open market;
4. Payment is made in terms of cash in Canadian Dollars or in 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."

*(Source: The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2012*

## Exposure Time

Exposure time is the estimated length of time the property interest being appraised would have been offered in the market prior to the hypothetical sale at the estimated market value on the effective date of the appraisal. Reasonable exposure encompasses not only adequate, sufficient and reasonable "time" but also adequate, sufficient and reasonable effort.

In addition to price, exposure time is also a function of use and type of real estate. The Subject parcel, as at the effective date of this appraisal, consisted of vacant future development land.

The Subject is located in the eastern part of the Town of Milton and benefits from being in close proximity to numerous arterial routes and highways including Highway 401. Based on our statistical data regarding days on market, discussions with brokers and information derived through analysis of comparable data, it is our opinion a reasonable exposure time for the Subject parcel is approximately four to six months.

## Scope of the Valuation

This is a **Full Narrative Appraisal Report** and complies with the reporting requirements set forth under the Canadian Uniform Standards of the Appraisal Institute of Canada. As such, all relevant material is provided in this report including the discussion of appropriate data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses are retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated herein.

Market information reviewed is available from publicly available sources including economic reports, Statistics Canada, the municipal economic development office, etc.

Market information was obtained from Colliers Research, commercially available information databases (RealNet and Marsh Report), the Town of Milton and local real estate professionals knowledgeable about the local market.

During the course of preparing this valuation, the following was completed:

- A personal inspection of the property and the surrounding area.
- A review of available data regarding the local market.

- Verification of current land use and zoning regulations, including discussions with the City of Toronto planning department and review of the prevailing Official Plan and Zoning By-Law.
- A review of sales and listing data on comparable properties. This involved thoroughly researching the surrounding market and those deemed similar to the subject for relevant and reliable data.
- An examination of market conditions and analysis of their potential effects on the property.
- A review of the local competitive market.
- Interviews with market participants.
- An analysis of the highest and best use of the property.

### Contingent and Limiting Conditions

This report is Subject to the Contingent and Limiting Conditions set forth within the Addenda to this appraisal in addition to any specific assumptions that may be stated in the body of the report. **These conditions are critical to the value stated herein and should be thoroughly read and understood before any reliance on this report is considered.**

### Extraordinary Assumptions

An Extraordinary Assumption is an assumption, which if not true, could alter the appraiser's opinions and conclusions. They are required when a Hypothetical Condition is necessary due to circumstances that are not self-evident regarding the appraised property. Hypothetical Conditions include retrospective appraisals, significant renovations to the improvements, completion of proposed improvements, etc.

### Extraordinary Limiting Conditions

An Extraordinary Limiting Condition refers to a necessary modification or exclusion of an Appraisal Institute Standard Rule. Such special circumstances include the inability to complete a property inspection, the purposeful exclusion of a relevant valuation technique, etc.

No Extraordinary Limiting Conditions were invoked within this report.



## Property Data

### Municipal Address

5<sup>th</sup> Line and Main Street East, Milton, Ontario.

### Legal Description

PT LT 13, CON 5 NS TRAF, PTS 1, 2 & 3, 20R18236; MILTON. TOGETHER WITH AN EASEMENT AS IN 408370

## Ownership and History

### Current Ownership

As per the Ontario Land Registry, the properties are held under the registered ownership of Milton Hydro Distribution Inc. as of the effective date.

### Current Contracts

According to the information provided or available, the property is not currently offered for sale nor is it subject to any current agreement or option.

### Encumbrances

We are not aware of any easements or rights of way that adversely affect the market value of the Subject. For greater certainty a legal opinion should be solicited for a full explanation of the effects of these encumbrances. Additionally, the property has been valued as if it were free and clear of any financing.

### Assessment and Realty Tax Data

The Subject parcel has a total phased-in Assessment for the 2015 tax year of \$1,795,500. Tax bills were not provided to us. Upon being developed, the Subject will be reassessed and taxed accordingly.

## Site Description

The Subject comprised an irregular shaped site totaling 6.43 acres. The site features mostly vacant future development land as well as a small gated lot used by Milton Hydro for storage. The property is located on the southern corner side of the 5<sup>th</sup> Line and Main Street East intersection, in Milton.

- |                          |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|--------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Area</b>              | <ul style="list-style-type: none"><li>• 6.43 Acres (Source: Geowarehouse).</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
| <b>Frontage</b>          | <ul style="list-style-type: none"><li>• The Subject parcel fronts onto the south side of Main Street East, the west side of 5<sup>th</sup> Line.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                       |
| <b>Lease</b>             | <ul style="list-style-type: none"><li>• There are currently no leases in place.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| <b>Configuration</b>     | <ul style="list-style-type: none"><li>• Irregular</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |
| <b>Topography</b>        | <ul style="list-style-type: none"><li>• The site appears to be at grade with the surrounding properties.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                               |
| <b>Services</b>          | <ul style="list-style-type: none"><li>• Currently, the Subject parcel is not serviced.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
| <b>Access</b>            | <ul style="list-style-type: none"><li>• The Subject can be accessed from Main Street East and 5<sup>th</sup> Line.</li></ul>                                                                                                                                                                                                                                                                                                                                                                                                                     |
| <b>Title Instruments</b> | <ul style="list-style-type: none"><li>• For the purposes of this analysis, the instruments registered against the title to the property are assumed not to have a significant effect on the property's marketability or its market value. For greater certainty, a legal opinion should be solicited for a full explanation of the effects of any existing encumbrances.</li><li>• For the purposes of this analysis, we assume the title is marketable without any encumbrances.</li></ul>                                                      |
| <b>Soil Conditions</b>   | <ul style="list-style-type: none"><li>• We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy should be deducted from the reported value herein. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support future development.</li></ul> |
| <b>Conclusion</b>        | <ul style="list-style-type: none"><li>• The site is situated in the eastern part of the Town of Milton. The site has a configuration, topography, soil conditions, and access which would likely permit development.</li></ul>                                                                                                                                                                                                                                                                                                                   |

## Neighbourhood Overview



The Town of Milton is located in Halton Region, which is located west of Toronto in the western section of the Greater Toronto Area. Along with Milton, the Halton Region includes the City of Burlington and the Town of Oakville. Neighboring Milton to the north is Halton Hills and to the south is Burlington. Cambridge borders it to the west and Oakville and Mississauga to the east.

### Transportation

The town is located 40 km (24 miles) west of the City of Toronto, on Highway 401. The town is well connected, forming the western end of the Milton Line commuter train. Milton is very well served by an excellent network of highways. The town has very easy access throughout the Greater Toronto Area by Highways 401, 407 and 25, connecting Oakville, Burlington and Hamilton with the town. The town is located a short distance from the Toronto Pearson International along Highway 401.

### Employment

Being located in the western part of the Greater Toronto Area, Milton's economy benefits from a large population and Toronto's large economy. Manufacturing is Milton's leading sector. Along with product distribution and corporate sectors, manufacturing makes up approximately half of Milton's businesses.

Town of Milton Economic Profile			
Population			
Population (est. July 1, 2012)	% of Canadian Total	% Change 2006-2012	Average Annual Growth Rate
78,980	0.23%	40.50%	5.83%
Income			
% Above/Below National Avg.	Total Income 2012 Estimate	% Canadian Total	Per Capita
18% Above	\$3,200,776,353	0.27%	\$40,526
Retail Sales			
% Above/Below National Avg.	Retail Sales 2012 Estimate	% Canadian Total	Per Capita
2% Below	\$1,067,165,351	0.22%	\$13,512
Other Data			
Average Household Expenditures		Building Permits	
Item	Value	Year	Value (\$ 000)
Food	\$9,316	2008	600,169
Shelter	\$21,504	2009	368,811
Clothing	\$3,906	2010	300,834
Transportation	\$14,324		

Source: Financial Post Markets, Canadian Demographics 2012

Access to the area is considered good with several arterial routes including Main Street, Fifth Line, Steeles Avenue and Derry Road located in close proximity. In addition, Highways 401 north of the subject site. Finally, the GO Transit Rail line is located just south of the subject property of 5<sup>th</sup> Line.

## Adjacent Land Uses

North	<ul style="list-style-type: none"><li>• North of Steeles Avenue is mainly agricultural land, with a number of small commercial developments. Further north is the Trafalgar exit on Highway 401, as well as the Toronto Premium Outlets in Halton Hills.</li></ul>
South	<ul style="list-style-type: none"><li>• South of the Subject are residential properties which form the southern end of Milton. Further to the south is Agricultural land and Highway 407.</li></ul>
East	<ul style="list-style-type: none"><li>• East of the Subject is mainly agricultural land. Further to the east are Trafalgar Golf Club, Royal Ontario Golf Club, and Piper's Heath Golf Club.</li></ul>
West	<ul style="list-style-type: none"><li>• West of the Subject is Highway 401. Further to the west lies an industrial neighborhood abutting the north side of Highway 401.</li></ul>

## Major Arterials & Access

Access	<ul style="list-style-type: none"><li>• General access to the neighbourhood is considered to be very good.</li></ul>
Arterials	<ul style="list-style-type: none"><li>• Main Street, Fifth Line, Steeles Avenue</li><li>• Highway 401</li></ul>

## Summary

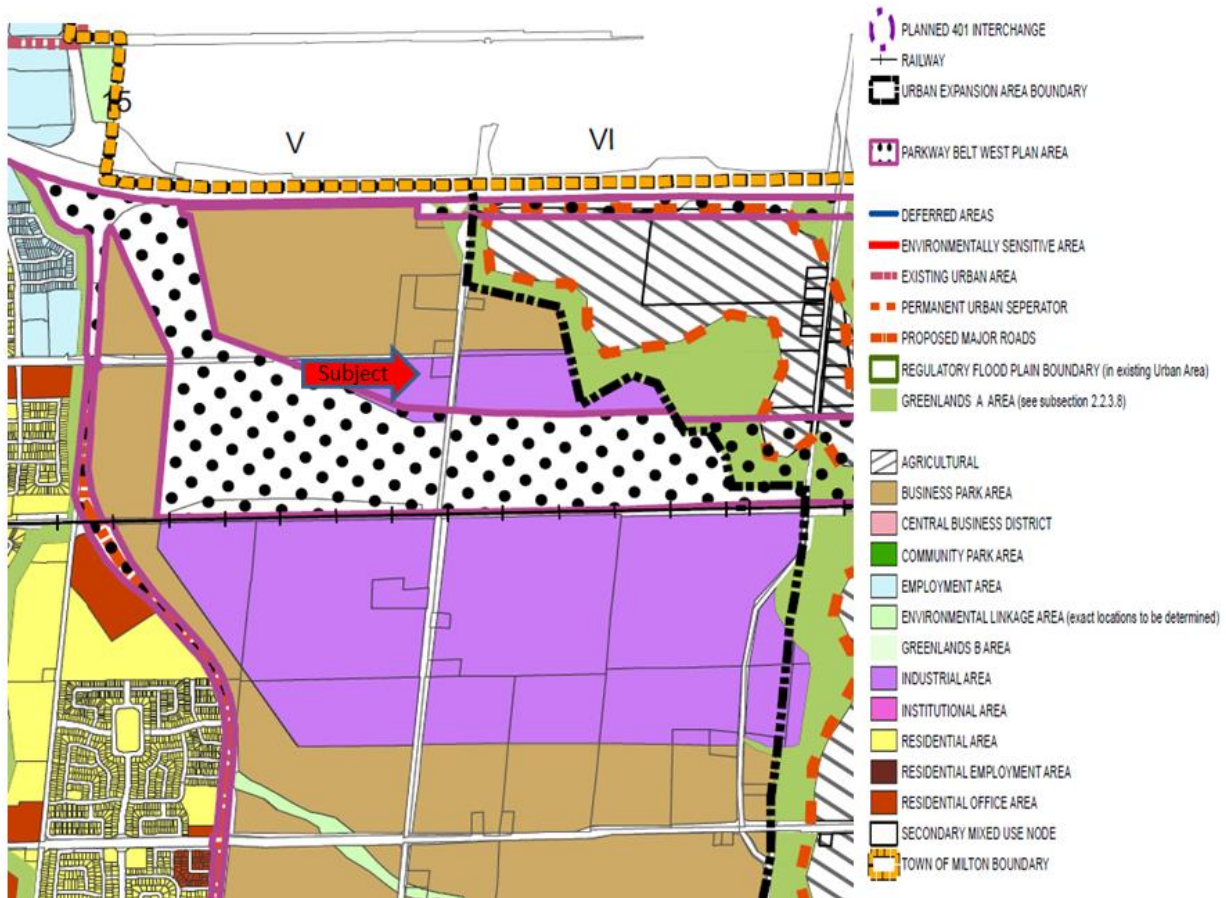
The Subject property is located in an area which is transitioning from future development lands to industrial lands. The Subject benefits from its proximity to numerous arterial routes, including Highway 401.

## Land Use/Planning

### Official Plan

The Town of Milton Official Plan designates the Subject as being within an Industrial area. Permitted uses shall be light and general industrial uses including some recycling applications, as set out by subsections of the Official Plan. Given this Official Plan designation, the owner of the subject premises can seek to amend the current zoning of FD to an industrial designation for the purpose of development.

### Official Plan Map



Conversations with the Town of Milton's planning department indicate that the subject premises and surrounding area will soon undergo an Official Plan amendment to create a Secondary Plan known as the Derry Green Corporate Business Park. The Derry Green Corporate Business Park is being implemented as a part of the Halton Urban Structure Plan in order to create an employment area within Milton to accommodate the majority of the Town's employment growth over the next six years. The Derry Green Corporate Business Park will encompass approximately 2,000 acres in size and will be



bound by 401 to the north, Sixth Line to the east, Centre Tributary of the Middle Branch of Sixteen Mile Creek to the south, and James Snow Parkway to the west.

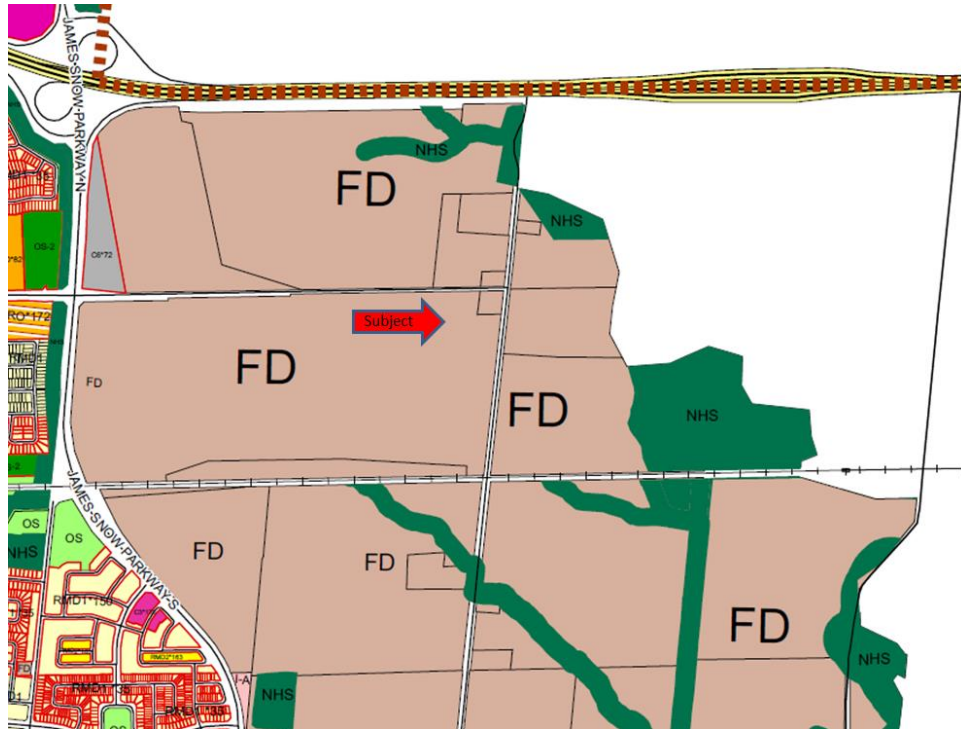
According to information provided to us by the Town of Milton, the subject site will be designated a Business Park under the Derry Green Corporate Business Park Secondary Plan. This secondary plan will be implemented in phases, with the subject site located in Phase 3. 60% of the developable land in Phase 1 must be developed before Phase 2 can begin. Likewise, 60% of developable land in Phase 2 must be developed before Phase 3 can begin. Milton's planning office has estimated that Phase 3 will begin development in roughly 5 years. The most recent amendments to the Business Park designation allows for light industrial and office uses.

## Zoning

The Subject parcel is currently zoned FD – Future Development.

This is a zoning designation to identify lands which have no immediate development potential, however the lands indicated by this zone will ultimately be rezoned to permit some form of urban development in the future once the required secondary plans and development plans among other matters have been approved.

## Zoning Map



## Compliance

The subject Property is current vacant and unimproved. A gated fence exists, in which Milton Hydro Distribution Inc. temporarily stores items. As per the zoning bylaw, no development can commence with until the FD zoning is replaced. The use is in compliance with the intent of the Derry Green Corporate Business Park Secondary Plan once completed and in force.



## Market Overview

### July 2015 Canadian Economic Overview

Surprising job gains follow troubling first-quarter GDP Numbers. The Canadian economy created 59,000 new jobs in May. That was well above the predictions of most economists, and it was the largest one-month increase since last October. Despite this good news, the Canadian economy performed worse than expected in the first quarter of 2015 with weakening growth prospects for the rest of the year. While a poor performance in the first part of the year was expected following the slide in oil prices, it was not anticipated that GDP would drop by quite so much. After a particularly sharp contraction in January 2015, real GDP continued to shrink in February and March. Total output fell by an annualized rate of negative 0.6% for the quarter as a whole – the worst performance by the Canadian economy since the second quarter of 2009 when the recession was at its height.

The oil price shock has been particularly detrimental to Canada's trade balance. After reaching an all-time high of \$3.85 billion in March, the trade deficit narrowed in April but still sat at its second-highest level ever – almost \$3 billion dollars.

Furthermore, the plunge in crude oil prices have been a major disappointment for the federal government and the Bank of Canada as its revenues are cut. On the positive side, however, the lower oil prices are providing an additional lift to an already strengthening U.S. economy. The result will be to further stimulate demand for Canadian exports made more competitive by the lower value of the Canadian Dollar.

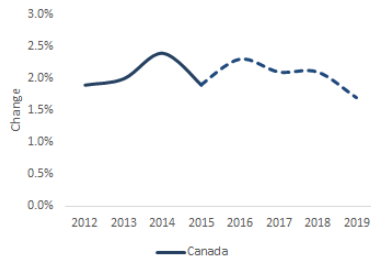
Economic Indicator	Historical 2012 – 2014	Current Period Forecast 2015	Mid-Term Forecast 2016-2019 <sup>(1)</sup>	Forecast Trend
GDP	2.2%	1.9%	2.1%	↑
Employment	1.0%	1.0%	1.4%	↑
Unemployment (improvement)	2.8%	1.4%	4.8%	↑
Personal Income per capita	2.6%	2.8%	2.9%	↑
Population	0.7%	1.1%	1.1%	↑
Retail Sales per Capita	2.7%	1.6%	2.6%	↑
CPI	1.4%	1.2%	2.0%	↑
Housing Starts	-6.1%	-9.3%	4.7%	↑

1) Average Annual Compound Growth Rate

#### Forecast Risk

A slower than expected U.S. economy would lead to a softer outlook for exports.

### Real Gross Domestic Product (GDP)



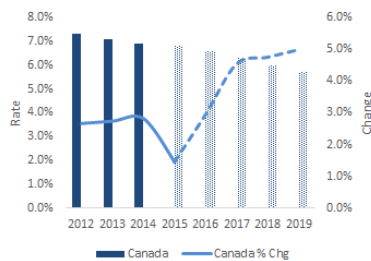
Canada's economy is forecast to expand by just 1.9% in 2015. The sharp drop in oil prices will cost producers more than US\$40 billion in lost revenue, resulting in a substantial decline in business investment that will ripple through the economy. The non-energy export market, however, is expected to make a large contribution to the nation's overall economic growth in 2015. The challenges that the trade sector faced over the past several years – most notably, a rapidly appreciating Canadian dollar and a lackluster U.S. economic recovery – have largely dissipated.

### Employment



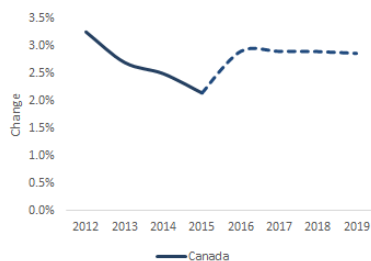
Canada's total employment is expected to grow 1.0% in 2015 adding 187,000 jobs. Total employment mid-term growth is expected at an average rate of 1.4% annually. By 2019, there will be over 19.1 million employed Canadians.

### Unemployment



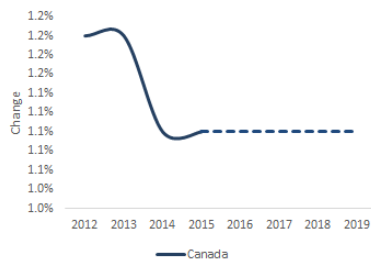
Canada's unemployment rate is expected to edge down only slightly from 6.9% last year to 6.8% this year. Nationally, business investment is expected to stay weak as capital budgets are being significantly cut across the oil and gas industry. Investment in residential construction is also expected to cool this year.

### Personal Income per Capita



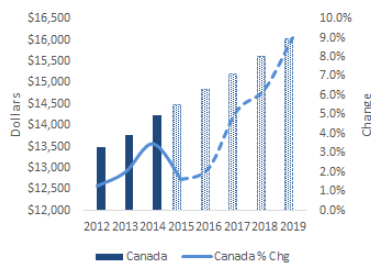
Canadians have received consecutive real wage gains since 2012 averaging 2.6% per annum. Per capita personal income growth is expected to cool this year to 2.1% but is forecast to accelerate in the mid-term to average 2.9% annually. Personal income is expected to rise from \$42,300 in 2015 to nearly \$47,500 in 2019.

## Population



The country's population growth has grown 1.1% annually the last two years. The nation's population growth is expected to maintain this growth rate this year and into the mid-term. Canada's population is expected to grow from 35.8 million this year to 37.5 million by 2019.

## Retail Sales per Capita



Historically, Canada's retail sales per capita has grown an average of 2.7% since 2012. However, consumer spending will be restrained this year by soft employment growth, including the threat of job losses in oil-rich provinces, weak wage gains, and high levels of household debt and easing real estate markets. Nationally, retail sales per capita is expected to grow 1.6% this year, and is expected to average 2.6% growth over the mid-term.

## Consumer Price Index



After posting a CPI growth of 1.9% in 2014, the nation's CPI growth will slow to 1.2% this year due to the decline in oil prices. Future mid-term CPI growth is projected to accelerate to an average of 2.0% annually.

## Housing Starts



Residential construction investment is expected to cool this year. A combination of declining oil prices and oversupply in some cities' condominium markets will prompt a 9.3% decline in new home construction, as housing starts fall from 189,400 units in 2014 to 171,700 units in 2015.

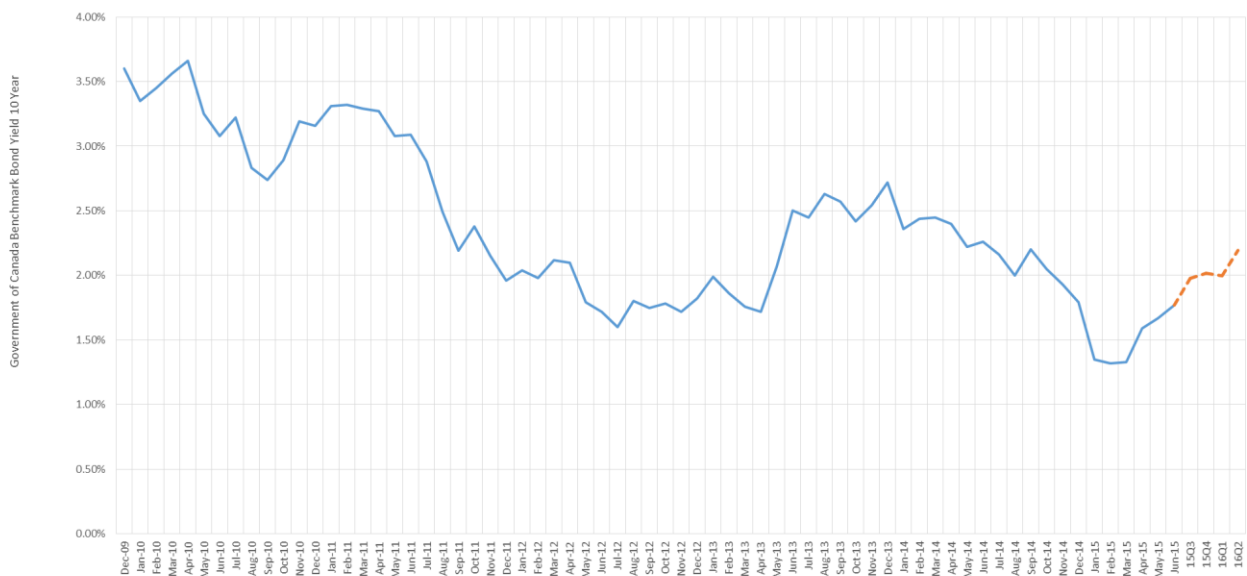
The information is sourced from:

- The Conference Board of Canada, Metropolitan Outlook 1 Spring 2015, based on November 28, 2014 Canadian economic accounts
- Statistics Canada

## Bond Yields

The 40% jump in West Texas Intermediate (WTI) oil prices from the mid-March low reflected a correction after an eight-month period of relatively steady decline. The recovery in oil prices helped to dispel concerns that the global economy was heading into a period of deflation. The easing in the risk of a deflation-driven pullback in economic activity saw investors reduce their holdings of government securities resulting in bond yields shifting significantly higher. The Bank of Canada 10 year benchmark has risen from 1.63% on June 1 to 1.74% on July 2, 2015.

As this year unfolds, the already small odds of another BoC rate cut will become even smaller. Higher oil prices are a positive sign that the oil shock may not fulfil forecasters' worst fears of a few months ago, leading to reduced expectations for further Bank of Canada rate cuts. The next probable move to raise interest rates sometime in 2016.



\* based on Bank of Canada monthly mid-market closing yields

\*\* Canada's five major banks averaged forecast

The information is sourced from:

- Bank of Canada, Government of Canada benchmark bond yields 10 year
- RBC Economics, Financial Market Monthly, June 5, 2015
- TD Economics, Dollars & Sense, June 24, 2015
- Scotia Bank Global Economics, Global Forecast Update, June 26, 2015, 2015
- CIBC Interest & Exchange Rate Forecast Update, June 3, 2015
- BMO Economic Research, Rates Scenario, July 3, 2015

## July 2015 Ontario Economic Overview

The economic expansion in Ontario appears to be on track to accelerate further in 2015 after it gained noticeable momentum in 2014. Solid merchandise export activity remains a primary engine propelling the expansion this year and a boost to tourism from the Greater Toronto Area hosting the Pan Am and Parapan Am Games this summer will add a strong services component. An impressively dynamic household sector in the early months of 2015 also points to consumer spending and housing contributing much to the expansion this year. That being said, job creation to date has been somewhat weaker than it has been anticipated and the province's real GDP is projected to expand by 2.9%.

The outlook for Ontario exports remains robust. Increased competitiveness of Canadian manufacturers through a lower Canadian dollar coupled with a growing US economy which buys nearly 80% of the province's exports is projected to grow exports by 4.5% this year. Overall, the trade sector will be a positive contributor to Ontario's economy over the next two years, boosting real GDP growth by 0.9 percentage points in 2015 and 0.3 percentage points in 2016.

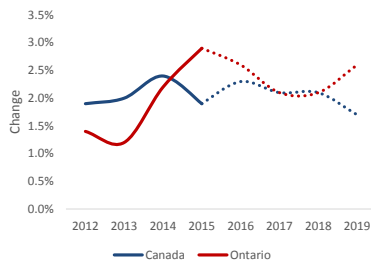
### Average Annual Compound Growth Rate

Economic Indicator	Historical 2012 - 2014	Current Period Forecast 2015	Mid-Term Forecast 2016-2019	Forecast Trend
GDP	1.7%	2.9%	2.3%	↑
Employment	1.3%	1.2%	1.5%	↑
Unemployment (improvement)	3.9%	4.1%	5.2%	↑
Personal Income per capita	2.2%	2.9%	2.7%	↑
Population	1.0%	0.8%	1.2%	↑
Retail Sales per Capita	2.4%	3.6%	2.3%	↑
CPI	1.7%	1.1%	2.0%	↑
Housing Starts	-12.3%	-2.5%	11.8%	↑

### Forecast Risk

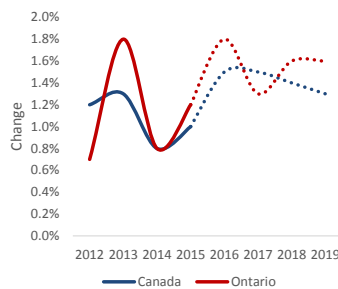
A market correction in the housing sector remains the biggest risk to forecast for the next few years, as it could disrupt the balance sheets of Ontario households, weakening consumer spending.

### Real Gross Domestic Product (GDP)



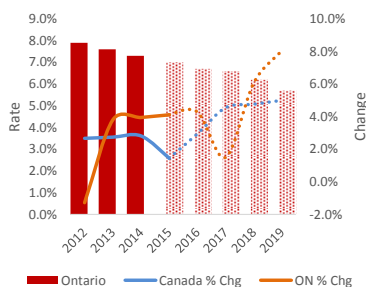
Ontario's economic growth is expected to accelerate by 2.9% as business investment finally ends its two-year slump. From 2016 to 2019, Ontario's economy is forecast to grow by an average of 2.4% driven by growth in exports and an improving job market. Comparatively, Canada GDP growth is estimated at 2.1% for the same period.

### Employment



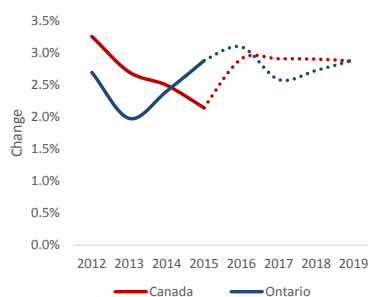
The province's job growth is expected to pick up its pace this year boosting employment growth by 1.2%, up from a five-year low of 0.8% in 2014. Employment within the manufacturing sector, surprisingly, continues to track lower in February despite manufacturing output growth. It is anticipated that the employment outlook for the manufacturing sector will change with longer term vitality.

### Unemployment



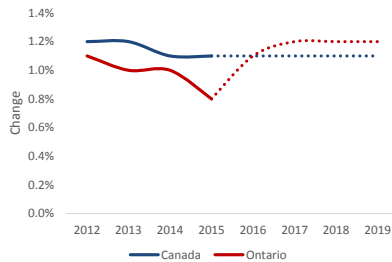
After posting an unemployment rate of 7.3% in 2014, Ontario's unemployment rate is forecasted to improve this year declining to 7.0%. The mid-term forecast indicates that the province's unemployment rate will continue to decline and reach 5.7% by 2019.

### Personal Income per Capita



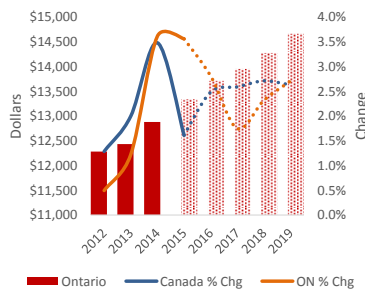
Ontario's personal income per capita is expected to grow by 2.9% this year resulting from employment growth, stronger exports, a lower Canadian dollar as well as government support. Personal income per capita is expected to increase from nearly \$42,200 this year to over \$47,100 by 2019 with average annual growth forecasted at 2.7% annually.

## Population



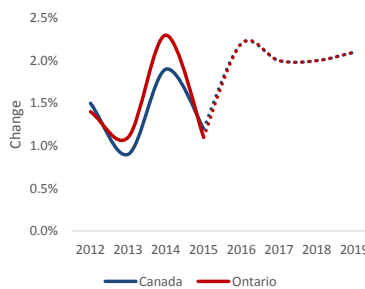
Ontario's population has steadily grown an average of 1.0% annually since 2012 lagging slightly behind the national growth rate of 1.1%. The province's population growth is expected to slow to 0.8% this year then accelerate in the mid-term to average 1.2% annually. In comparison, Canada's population growth is projected at 1.1% this year and beyond. By the end of 2019, Ontario's population is projected to reach over 14 million.

## Retail Sales per Capita



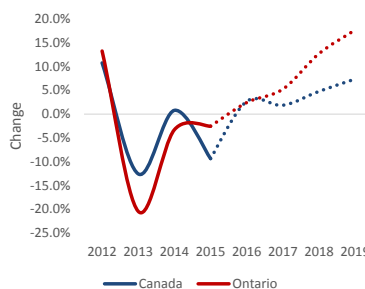
2015's retail sales per capita are projected to increase by 3.6%. The province's retail sales per capita are forecasted to continue to grow at an average rate of 2.4% from 2016 through 2019. Lower gas prices are leaving households with more discretionary income boosting consumer spending.

## Consumer Price Index



Both the national and provincial CPI growth are expected to slow by 1.1% this year and rebound to 2.2% in 2016. The province's CPI growth trajectory is expected to mirror the national rate until 2019.

## Housing Starts



After posting 3.3% fewer housing starts in 2014, provincial housing starts are projected to decrease another 2.5% this year to 57,600 units. From 2016 onwards, housing starts are projected to accelerate by 2.4% in 2016 with 59,000 units and by 5.3% in 2017 with 62,100 units.

The information is sourced from:

- The Conference Board of Canada, Metropolitan Outlook 2 Spring 2015, based on November 28, 2014 Canadian economic accounts.
- Statistics Canada.

## July 2015 Toronto Economic Overview

Toronto's economy grew at its fastest pace in four years in 2014, advancing by 2.9%. Growth was boosted by strong gains in several sectors, including manufacturing, transportation and warehousing, wholesale and retail trade, and business services. These sectors are expected to post healthy increases again in 2015. Both the manufacturing sector and the transportation and warehousing sector will continue to benefit from a growing U.S. economy this year and a weaker Canadian dollar. At the same time, consumer spending is expected to rise in line with a return to positive employment growth and also with increased tourism due to the Pan Am Games this summer. Meanwhile, after falling for the past two years, output in the construction sector is expected to expand in 2015 thanks to rising housing starts and a busy non-residential sector. On the other hand, the contribution to growth from the public sector will be modest, as the provincial government remains focused on balancing its budget. In total, Toronto's real gross domestic is expected to rise 3.1% in 2015.

The first quarter of 2015 was positive for the City of Toronto. Indeed, at the end of May, unemployment rate in Toronto was at 7.4% (vs. 7.5% in April).

### Average Annual Compound Growth Rate

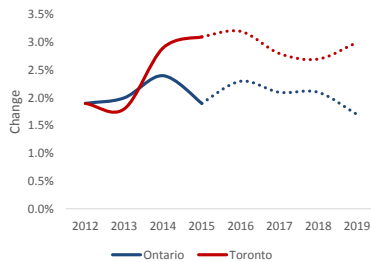
Economic Indicator	Historical 2012 - 2014	Current Period Forecast 2015	Mid-Term Forecast 2016-2019	Forecast Trend
GDP	2.3%	3.1%	2.8%	↑
Employment	2.1%	1.9%	2.4%	↑
Unemployment (improvement)	4.1%	5.0%	5.5%	↑
Personal Income per capita	2.0%	2.2%	2.9%	↑
Population	1.6%	1.7%	1.9%	↑
Retail Sales per Capita	2.4%	5.1%	8.8%	↑
CPI	1.9%	3.2%	2.1%	↑
Housing Starts	-22.5%	1.2%	2.0%	↑

### Forecast Risk

A lower-than-expected Canadian dollar could raise exports further, leading to even stronger growth in manufacturing.

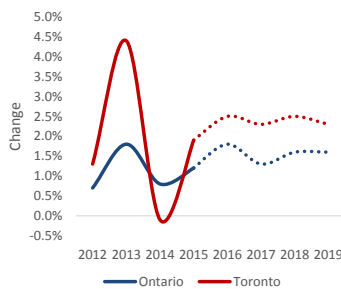


### Real Gross Domestic Product (GDP)



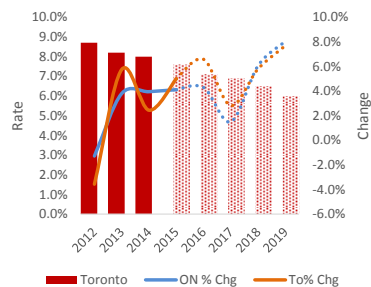
Toronto is forecasted to post the strongest GDP growth of 13 major Canadian metropolitan economies this year. As a result of healthy outlooks within the manufacturing, wholesale & retail trade as well as business services sectors, the city's economy is expected to expand by 3.1% this year. The city's GDP growth will continue to expand in the mid-term averaging 2.8% outpacing both the national rate projected at 2.1% and provincial rate projected at 2.3%.

### Employment



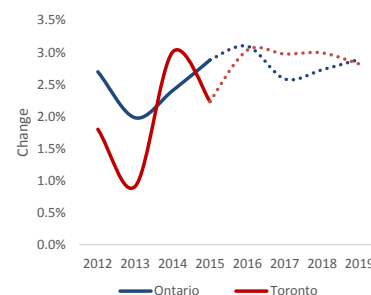
After posting employment growth of minus 0.1%, Toronto's employment growth is projected to recover in 2015 advancing 1.9%. As the city's economy continues to improve, employment growth is projected to improve by an average of 2.4% annually through 2019. Employment gains are expected within the financial-insurance-real-estate, professional-scientific-technical, education, health and food services industries.

### Unemployment



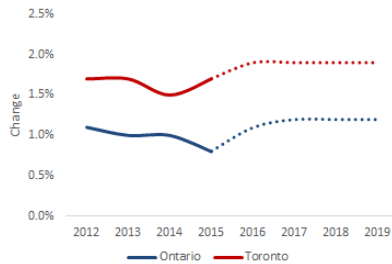
Toronto's improving economic conditions are projected to reduce the city's unemployment rate to 7.6% by the end of this year. Further declines with the unemployment rate are expected in the mid-term dropping the unemployment rate to 5.7% by 2019. 4

### Personal Income per Capita



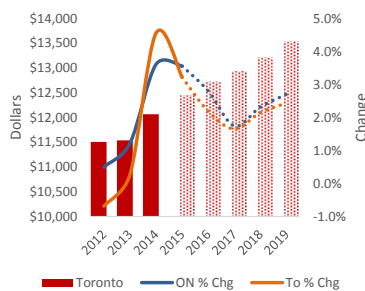
Toronto's per capita personal income is expected to grow by 2.2% in 2015. Employment growth should help personal income. By the end of 2019, the city's per capita personal income is projected to reach over \$48,400, up from the nearly \$43,100 expected this year.

## Population



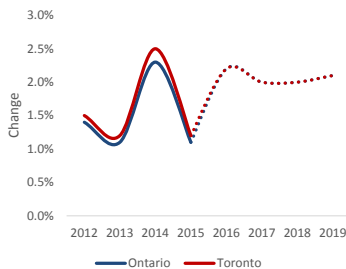
Historically, Toronto's population growth has outpaced both the national and provincial growth rates since 2012. The city's population is forecasted to grow 1.7% this year up from 1.6% last year. In contrast the national growth rate is projected at 1.1% and provincial growth rate 0.8% for this year. International immigration remains a key source of Toronto's population growth with a large proportion non-permanent residents. In contrast, a larger net intercity outflow of population is expected as city's retirees migrate to other areas within the province.

## Retail Sales per Capita



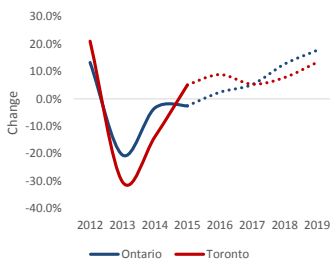
Toronto's per capita retail sales are forecast to increase by 3.2% in 2015. Consumer spending is expected to rise as a result of positive employment growth as well as increased tourism from hosting the Pan Am Games this summer.

## Consumer Price Index



After posting a CPI growth of 2.5% last year, Toronto's CPI growth is projected to slow to 1.2% this year. Similarly, the province's CPI growth was 2.3% last year and it is expected to slow to 1.1% this year. Both mid-term CPI's are expected rebound in 2016 with a 2.2% gain.

## Housing Starts



Housing starts posted double-digit increases from 2010 to 2012, thanks to many factors as a recovering economy, solid population growth, and low interest rates. Housing starts fell by a total of roughly 44% over 2013 and 2014. Single starts are forecast to fall once more in 2015. But, with the economy on solid footing, multiple starts are expected to rise again. Overall, total housing starts are forecast to increase by 5.1% this year

The information is sourced from:

- The Conference Board of Canada, Metropolitan Outlook 2 Spring 2015, based on November 28, 2014 Canadian economic accounts.
- Statistics Canada.

## Valuation

### Highest and Best Use

Fundamental to the concept of value is the principle of highest and best use which is defined as that use which would most likely produce the greatest net return to the land over a given period of time, bearing in mind that the reference to net return is not limited to monetary advantage but may be in the form of amenities.

The four essential tests of highest and best use are:

- Legally permissible;
- Physically possible;
- Financially feasible; and
- Maximally productive (market demand).

A full land use feasibility study was not performed. The highest and best use conclusions are based on general observations in the market, land use patterns, and prevailing economic conditions.

#### Highest and Best Use as Vacant

In the case of the Subject, the legal permissibility, physical possibility, financial feasibility, and maximum profitability must be determined; these factors have been analyzed as follows.

##### Legal Permissibility

- The Town of Milton Official Plan designates the Subject as being within an Industrial area, while the current zoning FD, Future Development. Conversations with the Town of Milton indicate that they are in the process of implementing a Secondary Plan known as the Derry Green Corporate Business Park which will change the property's Official Plan designation to Business Park. The Town of Milton's Senior Planner has indicated that industrial and office uses will be permitted.

##### Physical Possibility

- The site is of a size/configuration that would accommodate the construction of an industrial or office development.

##### Financial Feasibility

- Of the permitted uses, industrial use would be most feasible and marketable, based on the Subject's location, site area, and developer's recent appetite to construct industrial product in Milton.

### Maximum Productivity

- Given primarily the land use controls and financial feasibility, the maximally productive land use is estimated to be for industrial use.

### As Vacant

Under the current land use controls, the Subject is permitted for development with industrial uses. As discussed previously in this report, the Town of Milton is in the process of implementing the Derry Green Corporate Business Park Secondary Plan in the immediate area surrounding the subject. This Secondary Plan will allow for light industrial and office uses.

Having regard to the above, the highest and best use for the Subject parcel "As Vacant" is considered to be for industrial use in compliance with the prevailing land use controls.

### As Improved

As the Subject parcel was vacant as of the effective date of this report, the Highest and Best Use "As Vacant" therefore directs the overall Highest and Best Use.

## Valuation Methodology

Traditionally, there are three accepted methods of valuing real property:

- Cost Approach
- Direct Comparison Approach
- Income Approach

The selection of a relevant methodology depends upon the nature and characteristics of the real estate under consideration.

- 1) **The Cost Approach** to value is based upon the economic principle of substitution, which holds that the value of a property should not be more than the amount by which one can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility.
- 2) **The Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.
- 3) **The Income Approach** recognizes that for many market participants, the primary purchase criteria is the property's ability to generate income. In this approach, the potential income the property is capable of generating is analyzed and then converted into an expression of market value by the application of an appropriate technique. There are two main Income Approaches used by market participants.
  - The Income Approach via **Overall Income Capitalization** method is based solely upon the conversion of current earnings directly into an expression of market value in much the same way that stocks are valued through the use of a price-to-earnings multiplier. In this method, the net operating income for the forthcoming year is capitalized by an overall capitalization rate which represents a typical investor's expectations as witnessed in the sales and listings of similar properties.
  - The Income Approach via **Discounted Cash Flow Analysis** involves forecasting the future earnings for a prescribed time period and then discounting these annual amounts and the reversionary value of the asset to arrive at an expression of current market value. This technique is predicated upon a number of assumptions with respect to lease renewals and inflation, etc., and thus is considered somewhat less objective than the traditional Overall Income Capitalization method.

## Selection of Relevant Methodology

The Direct Comparison Approach, which is the most common technique used to value land, is the preferred method when sales of comparable properties are available. The highest and best use of the Subject property is as a site for employment use. The valuation methodology employed in this report is limited to the Direct Comparison Approach.

As mentioned above the Direct Comparison Approach is considered the primary method by which investors evaluate various purchase options. In this regard, it is felt that both the Income and Cost Approach to values are not widely employed by the general market in evaluating competing land purchase options. As such, the Income and Cost Approaches to value have not been utilized herein.

## Direct Comparison Approach

The Direct Comparison Approach is based on the Principle of Substitution which maintains that a prudent purchaser would not pay more for a property than the cost to purchase a suitable alternative property which exhibits similar physical characteristics, tenancy, location, etc. Within this approach, the property being valued is compared to properties that have sold recently or are currently listed and are considered to be relatively similar to the subject property. Typically, a unit of comparison (i.e. sale price per square foot, sale price per acre) is used to facilitate the analysis. In the case of properties similar to the subject, the sale price per acre is commonly used.

## Selection of Comparable Land Sales

As one sale is not necessarily indicative of market value, an appraiser examines a number of market transactions. When properly reconciled, trends emerge, leading to the estimate of market value of the property being appraised. In this instance we have investigated sales of lands that have the potential for employment use.

In valuing the subject lands, comparison was made to each of the index sales. The basis for comparison included the consideration of the following:

- Sale Date;
- Property Rights Conveyed;
- Financing Terms;
- Conditions of Sale;
- Location;
- Site Utility;
- Development Potential, and
- Site Size (acres)

## Analysis

### Sale Date

- Where the market is changing, it may be necessary to adjust prices to reflect the time difference between the date of sale of a comparable property and the date of valuation.

### Property Rights Conveyed

- When real property rights are sold, they may be the sole subject of the contract or the contract may include other rights. In the sales comparison analysis, it is pertinent that the property rights of the comparable sale be similar to the property rights of the subject property. All the sales considered were fee simple transfers, no adjustments were necessary.

### Financing Terms

- The transaction price of one property may differ from that of a similar property due to different financing arrangements. Financing arrangements may include existing mortgages at favourable interest rates or paying cash to a lender so that a mortgage with a below-market interest rate could be offered.

### Conditions of Sale

- Adjustments for conditions of sale usually reflect the motivations of the purchaser and vendor. In some cases the conditions of sale significantly affect transaction prices. Sales that reflect unusual situations, require an appropriate adjustment for motivation or sale condition. For example, power-of-sale conditions involve a certain degree of urgency on part of the lender - leading to a somewhat lower sale price than what would otherwise be expected.

### Location

- An adjustment for location within a market area may be required when the locational characteristics of a comparable property are different from those of the subject property. Excessive locational differences may disqualify a property from use as a comparable. Although no location is inherently desirable or undesirable, the market recognizes that one location is better than, similar to, or worse than another.

### Site Utility

- Site utility adjustments take into account site size and configuration and other encumbrances that may have impact upon development. As site size decreases, certain types of development can become problematic from the standpoint of physical and financial feasibility. A site size that allows for more flexibility in development is favoured over a smaller more restrictive site. The configuration of the site will have impact upon maximum usable area of the site. Oddly configured sites tend to have more leakage of usable land.

### Development Potential

- Land use regulations play a big part in determining the value of a property. Permitted land uses are generally reflected in the sale price, as are permitted development densities. Adjustments may be required to differentiate between densities as well as permitted uses.

### Development Timeline

- An adjustment for the anticipated time to development may be required when the site requires demolition, rezoning, and site plan approval. The time required to prepare the site for development may affect the sale price (a longer development timeline requires a downward adjustment). Development timeline adjustments were made when necessary.

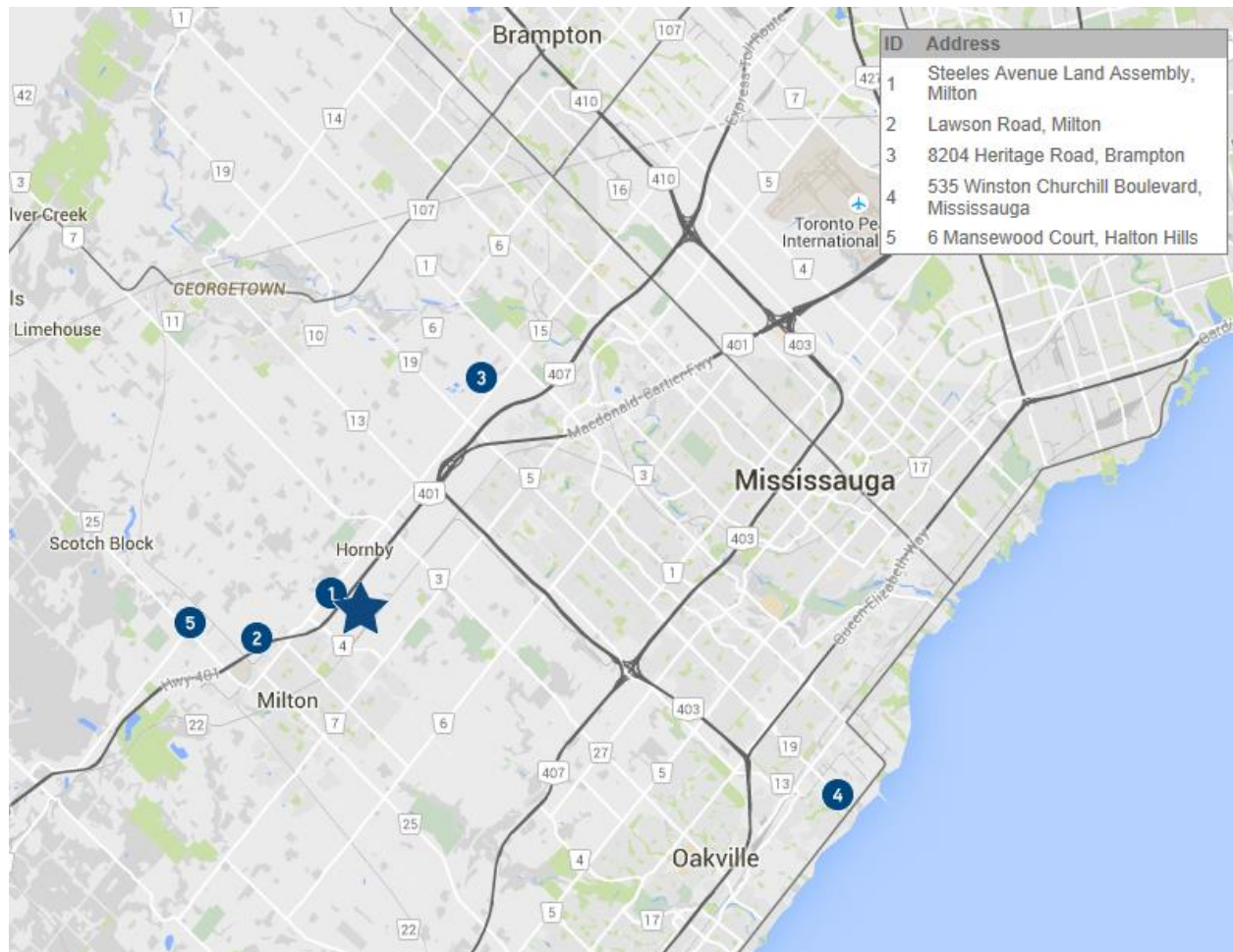
The Appraisal Institute of Canada recommends the use of "paired sales analysis" in the derivation of adjustments. This involves locating two very similar sales that sell in a similar time period. If the two sales differ in only one key feature, then the difference in sale price can be used as the "market indicator" for the adjustment for that feature. In practice, this concept usually only applies to newer homes in the subdivision. Development sites tend to be unique and, therefore, in practice it is not usually possible to find paired sales to derive adjustments. In the absence of paired sales, it is the appraisers' experience and judgment (based on observation), which is used for adjustments. A table of the relative adjustments is presented on the following page.



## Valuation

Land Transactions & Analysis											
Subject		Transaction One		Transaction Two		Transaction Three		Transaction Four		Transaction Five	
Address	5th Line and Main Street	Steeles Avenue Land Assembly, Halton Hills		Lawson Road, Milton		8200-8204 Heritage Road, Brampton		535 Winston Churchill Boulevard, Mississauga		6 Mansewood Court, Halton Hills	
Transaction Date	—	27-May-15		23-Sep-14		03-July-14 / 29-Aug-14		03-Dec-13		21-Jun-12	
Transaction Status	—	Closed		Closed		Closed		Closed		Closed	
Transaction Price	—	\$15,240,001		\$8,538,870		\$5,170,000		\$1,710,000		\$2,519,040	
Zoning	FD	M 7		M 2		A		E3-12		RU-EM P	
Official Plan	Industrial/Business Park	Prestige Industrial		Industrial		Industrial		Industrial		Rural Industrial	
Site Area (Acres)	6.43 Acres	34.46 Acres		18.55 Acres		15.24 Acres		3.82 Acres		5.26 Acres	
Value Per Square Foot Buildable	—	\$442,213/Acre		\$460,341/Acre		\$339,217/Acre		\$447,761/Acre		\$478,723/Acre	
Transaction & Other Adjustment		Description	Adj.	Description	Adj.	Description	Adj.	Description	Adj.	Description	Adj.
Property Rights Conveyed	Fee Simple	Fee Simple	None	Fee Simple	None	Fee Simple	None	Fee Simple	None	Fee Simple	None
Financing	—	Cash	None	Cash	None	Cash	None	Cash	None	Cash	None
Conditions of Sale	—	Arm's Length	None	Arm's Length	None	Arm's Length	None	Arm's Length	None	Arm's Length	None
Market Conditions (Time)	05-Aug-15	70 days	None	316 days	None	398	Upward	610 days	Upward	1,140 days	Upward
Location Access	Good	Good	}	Very Good	}	Good	}	Very Good	}	Good	}
	Very Good	Very Good		Very Good		Very Good		Very Good		Very Good	
Development Timeline	No Application	Superior	Downward	Superior	Downward	Superior	Downward	Superior	Downward	Superior	Downward
Improvements	Vacant	Improved	Downward	Vacant	None	Improved	Downward	Improved	Downward	Vacant	None
Parcel Size	6.43 Acres	Larger	Upward	Larger	Upward	Larger	Upward	Smaller	Downward	Smaller	Downward
Configuration	Irregular	Superior	Downward	Superior	Downward	Superior	Downward	Comparable	None	Comparable	None
Overall Comparability & Adjust.		Superior	Downward	Superior	Downward	Inferior	Upward	Superior	Downward	Superior	Downward
Conclusion		Lower Than \$442,213/Acres		Lower Than \$460,341/Acres		Higher Than \$339,217/Acres		Lower Than \$447,761/Acres		Lower Than \$478,723/Acres	

## Comparable Map



The following is a brief description and summary of the adjustments made to each of the key sales.

**Index 1** is located on the south side of Steeles Avenue, north of Brownridge Road within the Municipality of Milton. The Official Plan designates the property Prestige Industrial in the 401/407 Employment Area Corridor Secondary Plan. The Zoning By-law classifies the property M7, an Industrial classification. The sale was a land assembly, comprised of a 9.70 acre site and a 24.76 acre site, totaling 34.46 acres. The transaction was registered on May 27, 2015 at a price of \$4,288,534.59 or \$442,213 per acre. At the time of sale, the site was improved with two single family detached homes.

No adjustment is required to account for time, as market conditions have remained stable since this transaction occurred. An upward adjustment is required for site size given this index is larger than the Subject. This index is felt to be similar in terms of location, given it is situated in a growing industrial neighbourhood within Halton Hills in close proximity to the subject property, thus requiring no adjustment. This index is superior to the Subject in terms of development timeline, as it is already zoned for industrial development, thus requiring a downward adjustment. At the time of sale, there were no services available at the site. Therefore, no adjustment is required, as the subject property is currently unserviced. This index was improved with a building, thus requiring downward adjustment. This site is a regular configuration, which is considered to be superior to the Subject, thus requiring downward adjustment. Finally, an upward adjustment is required to account for the added development potential associated with the Subject given the Business Park designation that will be in effect under the Derry Green Corporate Business Park Secondary Plan.

A final adjusted sale price for Index 1 reflects a unit value below the \$442,213 per acre indicated by this sale.

**Index 2** is located on the north side of Lawson Road, east of Boston Church Road in the Municipality of Milton. The Official Plan designates the property Industrial. The Zoning By-law classifies the property M2, an Industrial classification. The sale is comprised of an 18.55 acre site. The transaction was registered on September 23, 2014 at a price of \$8,538,870 or \$460,341 per acre. At the time of sale, the site was vacant and unimproved.

No adjustment is required to account for time as market conditions have remained stable since this transaction occurred. An upward adjustment is required for site size given this index is larger than the Subject. Despite being located in close proximity to the subject property, this index is located in a well-established industrial park within Milton, thus requiring a downward adjustment. At the time of sale, there was water, storm water, and sewer services available at the site. Therefore, a downward adjustment is required, as the subject property is currently unserviced. This index is superior to the Subject in terms of development timeline, as it is already zoned for industrial development, thus requiring a downward adjustment.

This Index is vacant and unimproved, therefore a downward adjustment is warranted. Finally, an upward adjustment is required to account for the added development potential associated with the Subject given the Business Park designation that will be in effect under the Derry Green Corporate Business Park Secondary Plan.

A final adjusted sale price for Index 2 reflects a unit value below the \$460,341 per acre indicated by this sale.

**Index 3** is located north of Steeles Avenue West, on the west side of Heritage Road in the City of Brampton. The Official Plan designates the property Industrial. The Zoning By-law classifies the property A, an Agricultural classification. The sale comprised a 15.24 acre site. The transaction was registered on July 3, 2014, while the second parcel was sold on August 29, 2014 at a total price of \$5,170,000 or \$339,217 per acre. At the time of sale, the site was vacant and unimproved. This Index was part of a 3 parcel land assembly. However, given that the first parcel in the assembly transacted in 2003, we have excluded it from this analysis.

An upward adjustment is required to account for time as market conditions have improved since this transaction occurred. An upward adjustment is required for site size given this index is larger than the Subject. This index is felt to be similar in terms of location, given its close proximity to the 401 and its location within a growing industrial node. As this Index had a zoning application submitted in 2012, it is thought to be superior to the Subject in terms of development timeline, thus requiring a downward adjustment. At the time of sale, there were no services available at the site. Therefore, no adjustment is required, as the subject property is currently unserved. This Index is vacant and unimproved, therefore a downward adjustment is warranted. Finally, an upward adjustment is required to account for the added development potential associated with the Subject given the Business Park designation that will be in effect under the Derry Green Corporate Business Park Secondary Plan.

A final adjusted sale price for Sale 3 reflects a unit value above the \$339,217 per acre indicated by this sale.

**Index 4** is located north of Lakeshore Road West, on the east side of Winston Churchill Boulevard the City of Mississauga. The Official Plan designates the property Employment. The Zoning By-law classifies the property a mixture of E3-12, an Employment Zone classification. The sale comprised a 3.82 acre site. The transaction was registered on December 3, 2013 at a price of \$1,710,000 or \$447,761 per acre. At the time of sale, the site was improved with a 2,200 square foot office/warehouse.

An upward adjustment is required to account for time as market conditions have improved since this transaction occurred. A downward adjustment is required for site size given this index is smaller than the Subject. This index is felt to be superior in terms of location given it is situated in a well-developed neighbourhood, thus requiring downward adjustment. As this index is zoned



employment which allows for industrial uses, this index is superior to the Subject in terms of development timeline, thus requiring downward adjustment. At the time of sale, there was water, storm water, and sewer services available at the site. Therefore, a downward adjustment is required, as the subject property is currently unserved. This index was improved with a building, thus requiring upward adjustment. Finally, an upward adjustment is required to account for the added development potential associated with the Subject given the Business Park designation that will be in effect under the Derry Green Corporate Business Park Secondary Plan.

A final adjusted sale price for Index 4 reflects a unit value below the \$447,761 per acre indicated by this sale.

**Index 5** is located on the north side of 5 Side Road, East of Highway 25 in the Municipality of Halton Hills. The Official Plan designates the property Rural Industrial. The Zoning By-law classifies the property RU-EMP, a rural employment designation. The sale comprised a 5.26 acre site. The transaction was registered on June 21, 2012 at a price of \$2,519,000 or \$478,723 per acre. At the time of sale, the site was vacant and unimproved.

An upward adjustment is required to account for time as market conditions have improved since this transaction occurred. A downward adjustment is required for site size given this index is smaller than the Subject. This index is felt to be comparable in terms of location given it is situated in a growing industrial neighbourhood in Milton. This index requires only Site Plan approval to permit development which is considered to be superior to the Subject. As such, a downward adjustment is warranted to account for the shorter development timeline of this index. At the time of sale, there were no services available at the site. Therefore, no adjustment is required, as the subject property is currently unserved. This Index is improved to a similar level when compared to the Subject, thus requiring no adjustment. Finally, an upward adjustment is required to account for the added development potential associated with the Subject given the Business Park designation that will be in effect under the Derry Green Corporate Business Park Secondary Plan.

A final adjusted sale price for Index 5 reflects a unit value below the \$478,723 per acre indicated by this sale.

## Final Estimate of Value

The Direct Comparison Approach, which is the most common technique used to value land, is the preferred method when sales of comparable properties are available. The highest and best use of the subject property is as a development site for Employment uses. The direct comparison approach is the only approach used in the valuation of the Subject.

Indices 1 and 3 provide indication of achievable rates for industrial lands in the Subject's immediate area. Overall, the Subject would likely achieve a rate per acre above the rate indicated by Index 3, largely given its dated nature and smaller size. The Subject would reasonably achieve a rate per acre below the rate indicated by index 1 due to this index's superior development timeline, and superior site configuration. The Subject parcel should achieve a rate per acre in the narrowed range of \$339,217 to \$442,213 indicated by transactions 1 and 3.

The five key comparable sales indicate a unit value ranging from approximately \$339,217 to \$478,723 per acre for properties similar to the Subject. Given the Subject's location, development potential, land use controls in place and other influencing factors of employment land sites, a rate in the range of \$350,000 and \$400,000 would be reasonable for the Subject Parcel.

It is our opinion that the market value of the Subject parcel, subject to the assumptions set forth herein as well as those outlined on Page 3, and as at **August 5, 2015** is as follows:

Value Matrix - Land Valuation		
Site Size (Acre)	Value Per Acre	Value <sup>(1)</sup>
6.43	\$350,000	<b>\$2,300,000</b>
6.43	\$375,000	<b>\$2,400,000</b>
6.43	\$400,000	<b>\$2,600,000</b>

(1) Rounded to nearest \$10,000

## Appendices

Appendix A	Contingent and Limiting Conditions
Appendix B	Definitions
Appendix C	Comparable Sales
Appendix D	Certification



## APPENDIX A

### CONTINGENT AND LIMITING CONDITIONS





## Contingent and Limiting Conditions

1. This report has been prepared at the request of **Mary-Jo Corkum of Milton Hydro Distribution Inc.** for the purpose of providing an estimate of the market value of the **development site located at 5<sup>th</sup> Line and Main Street East, Milton Ontario, for Internal Purposes.** In addition, **Ontario Energy Board** may rely on the appraisal for **regulatory purposes.**
2. The estimated market value of the real estate, which is the object of this appraisal, pertains to the value of the **fee simple interest** in the real property. The property rights appraised herein exclude mineral rights, if any.
3. The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort, but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. (The estimated length of the exposure period needed to achieve the estimated market value is set forth in the Letter of Transmittal, prefacing this report).
4. The estimate of value contained in this report is founded upon a thorough and diligent examination and analysis of information gathered and obtained from numerous sources. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate. For these reasons, the analyses, opinions and conclusions contained in this report are Subject to the following Contingent and Limiting conditions.
5. The property has been valued on the basis that title to the real estate herein appraised is good and marketable.
6. The author of this report is not qualified to comment on environmental issues that may affect the market value of the property 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 moulds 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 value of the property 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. We



expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.

7. The legal description of the property and the area of the site were obtained from the Ontario Land Registry. Further, any plans or sketches contained in this report are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site and the relative position of the improvements on the said lands.
8. The property has been valued on the basis that the real estate is free and clear of all value influencing encumbrances, encroachments, restrictions or covenants except as may be noted in this report and that there are no pledges, charges, liens or special assessments outstanding against the property other than as stated and described herein.
9. The property has been valued on the basis that there are no outstanding liabilities except as expressly noted herein, pursuant to any agreement with a municipal or other government authority, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or saleability of the Subject or any portion thereof.
10. The interpretation of the leases and other contractual agreements, pertaining to the operation and ownership of the property, as expressed herein, is solely the opinion of the author and should not be construed as a legal interpretation. Further, the summaries of these contractual agreements are presented for the sole purpose of giving the reader an overview of the salient facts thereof.
11. The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all requirements of law, including all zoning, land use classification, building, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto. (It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such circumstances have not been accounted for in the appraisal process).
12. Investigations have been undertaken in respect of matters regulating the use of the land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency, unless such investigations are expressly represented to have been made in this report. The Subject must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary.



13. The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate herein appraised.
14. The data and statistical information contained herein were gathered from reliable sources and are believed to be correct. However, these data are not guaranteed for accuracy, even though every attempt has been made to verify the authenticity of this information as much as possible.
15. The estimated market value of the property does not necessarily represent the value of the underlying shares, if the asset is so held, as the value of the share could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise therefrom, have been described and measured in this report.
16. Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a Co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.
17. In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the freehold or fee simple interest in the real estate, by reason of the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing or extraordinary agreements for management services.
18. Unless otherwise noted, the estimated market value of the property referred to herein is predicated upon the condition that it would be sold on a cash basis to the vendor Subject to any contractual agreements and encumbrances as noted in this report as-is and where-is, without any contingent agreements or caveats. Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.
19. Should the author of this report be required to give testimony or appear in court or at any administrative proceeding relating to this appraisal, prior arrangements shall be made beforehand, including provisions for additional compensation to permit adequate time for preparation and for any appearances which may be required. However, neither this nor any other of these assumptions and limiting conditions is an attempt to limit the use that might be made of this report should it properly



become evidence in a judicial proceeding. In such a case, it is acknowledged that it is the judicial body, which will decide the use of this report which best serves the administration of justice.

20. Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed herein, as of the effective date of this appraisal, cannot necessarily be relied upon as of any other date without subsequent advice of the author of this report.
21. The value expressed herein is in Canadian dollars.
22. This report is only valid if it bears the original signature(s) of the author(s).
23. These Contingent and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.

## APPENDIX B

## DEFINITIONS



## Definitions

### Property Interests

#### Fee Simple

Absolute ownership unencumbered by any other interest or estate Subject only to the four powers of government.

#### Leased Fee Estate

An ownership interest held by a landlord with the right of use and occupancy conveyed by lease to others; the rights of lessor or the leased fee owner and leased fee are specified by contract terms contained within the lease.

#### Leasehold Estate

The right to use and occupy real estate for a stated term and under certain conditions; conveyed by a lease.

### General Definitions

**Adjusted or Stabilized Overall Capitalization Rate** is usually derived from transactions with excessive vacancy levels or contract rents over/under market levels. In such cases, net operating income is “normalized” to market levels and the price adjusted to reflect expected costs required to achieve the projected net operating income.

**The Cost Approach** to value is based upon the economic principle of substitution, which holds that the value of a property should not be more than the amount by which one can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility.

**Direct or Overall Capitalization** refers to the process of converting a single year’s income with a rate or factor into an indication of value.

**The Direct Comparison Approach** examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject on the basis of time and



such features as location, size and quality of improvements, design features and income generating potential of the property.

**Discount Rate** is a yield rate used to convert future payments or receipts into a present value.

**Discounted Cash Flow Analysis** offers an opportunity to account for the anticipated growth or decline in income over the term of a prescribed holding period. More particularly, the value of the property is equivalent to the discounted value of future benefits. These benefits represent the annual cash flows (positive or negative) over a given period of time, plus the net proceeds from the hypothetical sale at the end of the investment horizon.

Two rates must be selected for an application of the DCF process:

- The internal rate of return or discount rate used to discount the projected receivables;
- An overall capitalization rate used in estimating reversionary value of the asset.

The selection of the discount rate or the internal rate of return is based on comparing the Subject to other real estate opportunities as well as other forms of investments. Some of the more common benchmarks in the selection of the discount rate are the current yields on long-term bonds and mortgage interest rates.

**Exposure Time** is the property's estimated marketing time prior to a hypothetical sale at market value on the effective date of the appraisal. Reasonable exposure time is a necessary element of a market value definition but is not a prediction of a specific date of sale.

**Highest and Best Use** – The purpose of a highest and best use analysis is to provide a basis for valuing real property. Highest and best use is defined by the Appraisal Institute of Canada as:

*“that use which is most likely to produce the greatest net return over a period of time.” The highest and best use must be legally permissible, physically possible, financially feasible and maximally productive.*

**The Income Approach** to value is utilized to estimate real estate value of income-producing or investment properties.

**Internal Rate of Return** is the yield rate that is earned or expected over the period of ownership. It applies to all expected benefits including the proceeds of sale at the end of the



holding period. The IRR is the Rate of Discount that makes the net present value of an investment equal zero.

**Market Value** – The Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define market value as:

*"The most probable 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 this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised and acting in their own best interests;
- A reasonable time is allowed for exposure in the market; and
- Payment is made in cash in Canadian dollars or in terms of financial arrangements comparable thereto.

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.

**Net Operating Income** is the actual or anticipated net income remaining after all operating expenses are deducted from effective gross income before debt service and depreciation. Net Operating Income is usually calculated for the current fiscal year or the forthcoming year.

**Overall Capitalization Rate** is an income rate that reflects the relationship between a single year's net operating income expectancy and the total property price. The Overall Capitalization Rate converts net operating income into an indication of a property's overall value.

**Reasonable Exposure Time** – Exposure time is always presumed to precede the effective date of the appraisal. It may be defined as:

*"The estimated length of time the property interest being appraised would have been offered on the market prior to 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."*

**A Yield Rate** is applied to a series of individual incomes to obtain a present value of each.





## APPENDIX C

### COMPARABLE SALES

## Index No. 1

### Steeles Avenue Land Assembly, Halton Hills, Ontario



#### Property Description

Property Type	Industrial Land
Site Area	34.46 Acres
Topography	Level
Access/Exposure	Very Good
Site Improvements	Improved

#### Location / Legal / Land Use

Address	Steeles Avenue Land Assembly
City	Halton Hills
Province	Ontario
Legal	Part of Lot 15, Concession 5, Trafalgar New Survey, as described in Instrument No. 797733, Save and Except Part 10 on Plan 20R-8178,

#### Transaction Details

Sale Price	\$15,240,001
Interest Transferred	100 %
Sale Price per Acre	\$442,213
Status	Closed
Date	27-May-15
Vendor	1316137 Ontario Limited, Ontario Horticultural Trade Foundation, Horticulture Trade Association, and an Individual acting in his/her own capacity.
Purchaser	Investors Group (I.G. Investment Management, Ltd.)
Rights Conveyed	Fee Simple

#### Comments

At the time of sale, the property was improved with two single family detached homes.

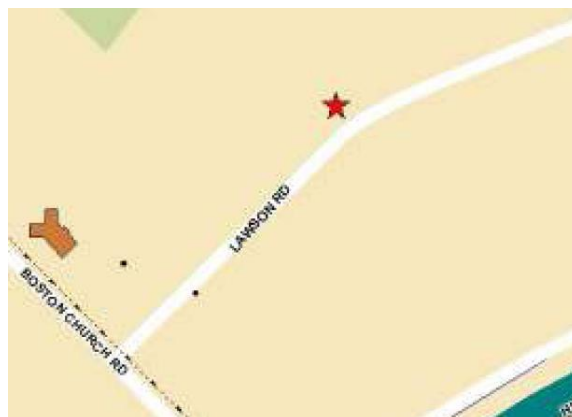
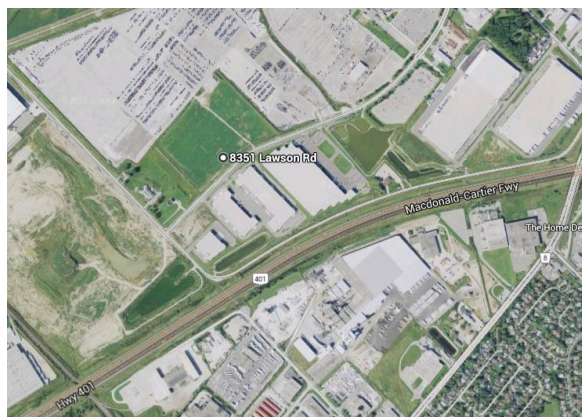
A Site Plan Application (No. D11SPA15.008) was submitted on May 4, 2015 pertaining to the land in this transaction and adjacent parcels (34.463 acres total). The Application proposed the development of a prestige industrial building containing a gross floor area of approximately 640,000 square feet.

As of June 2015, the Application was still in circulation subject to conditions.

Discussions with Halton Region's engineering department indicate that the site lacked sewer, water, and storm water servicing as of the date of sale.

## Index No. 2

### Lawson Road, Milton, Ontario



#### Property Description

Property Type	Industrial Land
Site Area	18.549 Acres
Topography	Level
Access/Exposure	Very Good
Site Improvements	Vacant

#### Location / Legal / Land Use

Address	Lawson Road
City	Milton
Province	Ontario
Legal	Part of Lot 2, Concession 4, Esquering, designated as Part 1 on Plan 20R-16085

#### Transaction Details

Sale Price	\$8,538,870
Interest Transferred	100 %
Sale Price per Acre	\$460,341
Status	Closed
Date	23-Sep-14
Vendor	Manheim Auto Auctions Company
Purchaser	Prologis (PLD 8277 Lawson Road Investment LP), (PLD Canadian Holdings 2 GP ULC)
Rights Conveyed	Fee Simple

#### Comments

At the time of sale, the property was vacant and unimproved.

As of September 2014, no applications had been submitted to the Town of Milton Planning Department regarding development of the property. As a result of the land use regulations in place at the time of sale, only a site plan application is required for development to commence.

Our discussions with professionals familiar with this transaction indicated that the Purchaser had acquired the property in order to construct two multi-tenant industrial buildings containing a total gross floor area of approximately 378,750 square feet.

The Vendor had acquired the property in January 2007 for a total consideration of \$7,962,410, representing a price per acre of \$429,264. For additional information on this transaction, follow the link near the top of the record.

## Index No. 3

8200-8204 Heritage Road, Brampton, Ontario



### Property Description

Property Type	Industrial Land
Site Area	15.24 Acres
Topography	Level
Access/Exposure	Very Good

Site Improvements	Vacant
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### Transaction Details

Sale Price	\$5,170,000
Interest Transferred	100 %
Sale Price per Acre	\$246,558
Status	Closed
Date	03-Jul-14
Vendor	An individual(s) acting in his/her own capacity
Purchaser	Orlando Corporation
Rights Conveyed	Fee Simple

### Comments

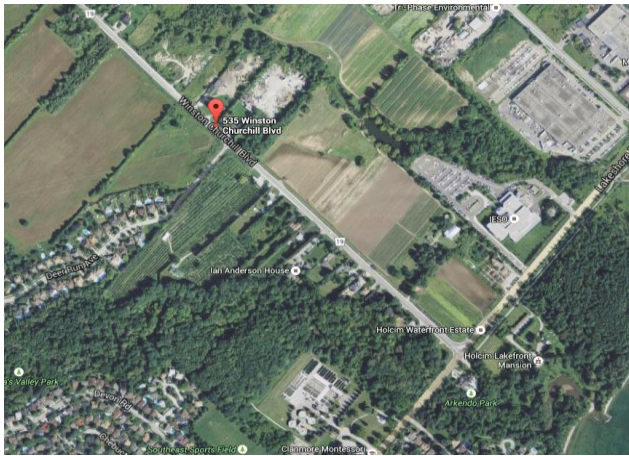
At the time of sale, the property was improved with a single family detached residential dwelling.

A Rezoning Application (No. C06W01.003 & C06W01.004) was originally submitted on October 30, 2012 and was subsequently revised to include the adjacent parcels to the south. The Application proposed the development of an industrial building containing approximately 1,189,000 square feet.

The subject property is part of a land assembly by the Purchaser. Subsequent to this transaction, the Purchaser also acquired Heritage Road (46.468 acres) for a total consideration of \$5,823,130.50 on June 26, 2003. The overall assembly represents a total area of 62.706 acres which was purchased for an aggregate price of \$10,993,130.50, resulting in an adjusted price per acre of \$175,312, and an adjusted price per square foot buildable of \$9 based on the current application.

## Index No. 4

535 Winston Churchill Boulevard, Mississauga, Ontario



### Property Description

Property Type	Industrial Land
Site Area	3.819 Acres
Topography	Level
Access/Exposure	Very Good
Site Improvements	Improved

### Location / Legal / Land Use

Address	Winston Churchill Boulevard
City	Toronto
Province	Ontario
Legal	Part of Lot 35, Concession 3, South of Dundas Street, Toronto, as described in Instrument No. R01080536, Save and Except, designated as Part 5 on Plan 43R-22510

### Transaction Details

Sale Price	\$1,710,000
Interest Transferred	100 %
Sale Price per Acre	\$447,761
Status	Closed
Date	03-Dec-13
Vendor	2150776 Ontario Ltd.
Purchaser	Veronica Holdings Ltd.
Rights Conveyed	Fee Simple

### Comments

At the time of sale, the property was improved with a single family detached residential dwelling (converted to office) and warehouse with a total of 2,200 square feet.

As of January 2014, no applications had been submitted to the City of Mississauga Planning Department regarding development of the property. As a result of the land use regulations in place at the time of sale, a Rezoning Application or a Site Plan Application is required for development to commence.

Based on discussions with industry professionals familiar with this transaction, the Purchaser intends to use the subject site for its own business purposes and hold the land as a long term investment with future development potential.

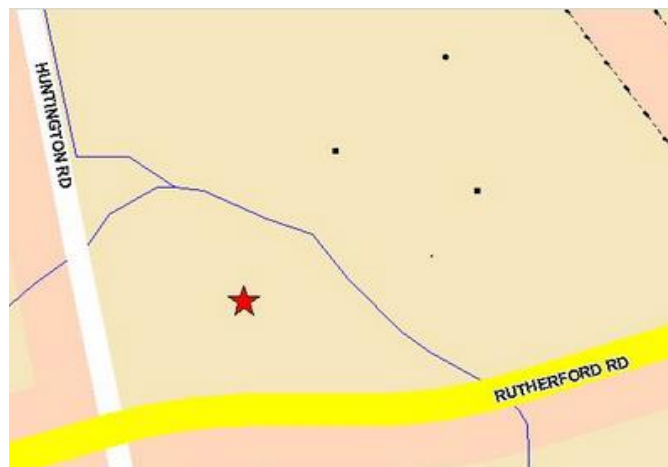
Industry professionals familiar with this transaction indicated that the property was on the market for approximately 5 months. The original asking price for the property was \$2,300,000 and was subsequently reduced to \$1,950,000.

The Vendor had acquired the property in November 2007 for a total consideration of \$1,350,000, representing a price per acre of \$353,496. For additional information on this transaction, follow the link near the top of the record.



## Index No. 5

### 6 Mansewood Court, Halton Hills, Ontario



#### Property Description

Property Type	Industrial Land
Site Area	5.26 Acres
Topography	Level
Access/Exposure	Very Good
Site Improvements	Vacant

#### Transaction Details

Sale Price	\$2,519,000
Interest Transferred	100 %
Sale Price per Acre	\$478,723
Status	Closed
Date	21-Jun-12
Vendor	An individual(s) acting in his/her own capacity
Purchaser	Belor Construction Ltd
Rights Conveyed	Fee Simple

#### Comments

At the time of sale, the property was vacant and unimproved.

As of June 2012, no applications had been submitted to the Town of Halton Hills Planning Department regarding development of the property. As a result of the land use regulations in place at the time of sale, only a site plan application is required for development to commence.

Based on the anticipated time required to complete a standard site plan application, together with the review and approval process, we have estimated the time to development to be approximately six months to one year from the date of sale.

It is our understanding that the Purchaser had acquired the property in order to construct one industrial development.

## APPENDIX E

### CERTIFICATION



## Certification

**RE: Estimate of development site located at 5<sup>th</sup> Line and Main Street East, Milton, Ontario.**

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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 analyses, opinions and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, unbiased professional analyses, 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.
- I have no bias with respect to the property that is the Subject of this report.
- My compensation is not contingent upon the reporting of a predetermined value or direction in value that favours the cause of the client, the amount of the 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 with the requirements of the Code of Professional Ethics and Standards of Professional Practice of the Appraisal Institute of Canada (A.I.C.).
- Jozo Markic (AIC Candidate Member) made significant contribution to the valuation of this property through research and analysis of sales data.
- I have the knowledge and experience to complete the assignment competently.
- The Appraisal Institute of Canada has a Mandatory Recertification Program for designated members. As of the date of this report, **Matthew Bruchkowsky, AACI, P.App** has fulfilled the requirements of the program.
- The value estimate contained in this report applies as at the effective date of valuation as defined within the body of this report.

## Final Estimate of Value

Based on our analysis, the market value of the subject property, subject to the Extraordinary Assumptions on page 3, and the Contingent and Limiting Conditions listed in Appendix A, and as at August 5, 2015 is estimated to be;

**Based on our analysis, our estimate of market value of the Subject is:**

**\$2,400,000**

**Two Million Four Hundred Thousand Dollars**

The value estimates are based on an exposure time of four to six months, which is assumed to precede the valuation date.

**COLLIERS INTERNATIONAL REALTY ADVISORS INC.**

A handwritten signature in blue ink, appearing to read "M. Bruchkowsky", with a stylized flourish at the end.

Matthew Bruchkowsky, AACI, P.App.  
Senior Director  
Valuation & Advisory Services, Toronto

Date: August 5, 2015