



JUAN DE FUCA WATER DISTRIBUTION COMMISSION
 Notice of Meeting on **Tuesday, March 3, 2020 at 12 p.m.**
 Goldstream Room, 479 Island Highway, Victoria, BC

- | | |
|------------------------|----------------|
| G. Logan (Chair) | K. Kahakauwila |
| J. Rogers (Vice Chair) | E. Logins |
| G. Baird | L. Szpak |
| M. Hicks | R. Wade |
-

AGENDA
Lunch will be available

- 1. APPROVAL OF AGENDA**
- 2. ADOPTION OF MINUTES2**
Recommendation: That the minutes of the January 7, 2020 meeting be adopted.
- 3. CHAIR’S REMARKS**
- 4. PRESENTATIONS/DELEGATIONS**
- 5. GENERAL MANAGER’S REPORT**
- 6. COMMISSION BUSINESS**
 - 6.1. JWDC 20-02 Townview Reservoir and Pump Station Decommissioning and Site Disposition Plan5**
*Recommendation: That the Juan de Fuca Water Distribution Commission directs staff to:
 For the Townview reservoir and pump station site, proceed with an engineering assessment and any necessary site stabilization improvements coincident with the demolition of the existing structures, rezone the property to R1, realign the public path, grant City of Colwood a statutory right of way for sanitary sewer, and then undertake a public disposition of the property.*
 - 6.2. Summary of Recommendations from Other Water Commissions82**
Recommendation: That the Summary of Recommendations from Other Water Commissions be received for information.
 - 6.3. Water Watch Report85**
Recommendation: That the February 24, 2020 Water Watch report be received for information.
- 7. NOTICE OF MOTIONS**
- 8. NEW BUSINESS**
- 9. ADJOURNMENT**

Note: Next Meeting: Tuesday, April 7, 2020

To ensure a quorum, advise Denise at 250.360.3087 if you or your alternate cannot attend.

**MINUTES OF A MEETING OF THE JUAN DE FUCA WATER DISTRIBUTION COMMISSION,
Held Tuesday, January 7, 2020 at 12 p.m., Goldstream Conference Room, 479 Island
Highway, Victoria, BC**

PRESENT: **Commissioners:** G. Logan (Chair); M. Hicks; K. Kahakauwila (12:07);
J. Rogers; L. Szpak; R. Wade
Staff: T. Robbins, General Manager; I. Jesney, Senior Manager, Infrastructure
Engineering; D. Dionne (Recorder)

REGRETS: G. Baird; E. Logins

The meeting was called to order at 12:00 p.m.

1. APPROVAL OF AGENDA

MOVED by Commissioner Wade, **SECONDED** by Commissioner Hicks,
That the agenda be approved as circulated.

CARRIED

2. ADOPTION OF MINUTES

MOVED by Commissioner Szpak, **SECONDED** by Commissioner Rogers,
That the minutes of the October 1, 2019 meeting be adopted.

CARRIED

3. CHAIR'S REMARKS

Chair Logan advised that E. Logins has been appointed to the Commission as the Sooke representative.

4. PRESENTATIONS/DELEGATIONS

There were no presentations or delegations.

5. GENERAL MANAGER'S REPORT

5.1. North Sooke Water Extension

T. Robbins provided a verbal update noting that he has had discussions with the CAO at the District of Sooke, regarding the process for the North Sooke Water Extension, after the Province eliminated the extension from the scope of the Highway 14 improvements.

He advised the CAO that, given the value of the project, staff meet with the ratepayers benefitting from the extension and explain what the extension would look like, the process in terms of funding and undertaking a grant application. The ratepayers would form a service area and share the cost of the extension. The Sooke CAO agreed to support staff in meeting with the ratepayers.

Discussion ensued regarding a Notice of Motion going forward to the Capital Regional District (CRD) Board seeking support for municipalities and electoral areas to be able to use their Gas Tax funding as part of their contribution toward Federal Grants. The Federal Government's

current position is that Gas Tax funding cannot be used in this manner and considers it stacking.

6. COMMISSION BUSINESS

6.1. JWDC 20-01 Grant Application Endorsement

T. Robbins introduced the report noting that the scope of the program has been adjusted since the original application and he reviewed the scope changes.

Commissioner Hicks confirmed that all property owners are in support of the application.

Discussion ensued regarding:

- Other applications going forward for the grant funding
- The responsibility of the residents for any cost overruns and that the Juan de Fuca Electoral Area Gas Tax funding could be used to cover any cost overruns
- The pump station's design being able to accommodate an additional pump in the future should it be required

MOVED by Commissioner Szpak, **SECONDED** by Commissioner Hicks,
That the Juan de Fuca Water Distribution Commission recommends to the Electoral Areas Committee and the Capital Regional District Board that:

Staff be directed to prepare and submit an application for an Investing in Canada Infrastructure Program - British Columbia – Green Infrastructure - Environmental Quality grant for the water service extension to the Anderson Cove area of the Juan de Fuca Water Distribution service area.

CARRIED

6.2. Summary of Recommendations from Other Water Commissions

MOVED by Commissioner Rogers, **SECONDED** by Commissioner Kahakauwila,
That the Summary of Recommendations from Other Water Commissions be received for information.

CARRIED

6.3. Water Watch Report

T. Robbins advised that the reservoir is at about 85% full and is looking at full storage capacity within a month.

MOVED by Commissioner Kahakauwila, **SECONDED** by Commissioner Rogers,
That the December 30, 2019 Water Watch report be received for information.

CARRIED

7. NEW BUSINESS

There was no new business.

8. ADJOURNMENT

MOVED by Commissioner Szpak, **SECONDED** by Commissioner Wade,
That the January 7, 2020 Juan de Fuca Water Distribution Commission meeting be adjourned
at 12:30 p.m.

CARRIED

Chair

Secretary

DRAFT



**TO JUAN DE FUCA WATER DISTRIBUTION COMMISSION
MEETING OF TUESDAY, MARCH 3, 2020**

SUBJECT **Townview Reservoir and Pump Station Decommissioning and Site Disposition Plan**

ISSUE SUMMARY

To seek direction from the Juan de Fuca Water Distribution Commission regarding the Townview reservoir and pump station (Townview) decommissioning and site disposition plan.

BACKGROUND

The Townview site, located at 685 Townview Terrace (Appendix A), is owned by the Capital Regional District (CRD) Juan de Fuca Water Distribution Service (JDFWDS), and consists of two rectangular concrete storage cells, a concrete pump station building and associated underground chambers and piping (Appendix B). After construction of the new Walfred pump station, the Townview reservoir and pump station were no longer required and were taken out of service in 2012, however the CRD continues to conduct basic maintenance at the site.

The 2020 JDFWDS capital plan includes a budget of up to \$400,000 to complete decommissioning and removal of the infrastructure, site restoration and disposition. In 2019, staff conducted a review to evaluate options for the Townview site to reduce the CRD’s risk and operational costs and maximize financial return for the service. The two options evaluated were:

- Option 1: Dispose of the property “as is”
- Option 2: Demolish the structures and re-zone the property prior to disposition (The property is currently zone P3 Public Utility Zone)

As part of the evaluation, staff retained D.R. Coell and Associates to provide an appraisal of the property and valuations based on the two options (Appendix C).

The summary and final estimate of the market value (July 2019) is:

Current Market Value “As Is”	\$260,000
Current Market Value “ As Vacant and Zoned R1”	\$450,000

Staff also retained AREC Environmental Group to complete a hazardous materials survey of the site to document the presence of any hazardous materials on site including asbestos, silica, lead, flammable or explosive materials that may be handled, disturbed or removed through the demolition. The only concern noted was regarding silica dust exposure to workers if concrete is cut during the demolition process. The above values did not include the cost of demolishing the existing concrete structures, removing underground infrastructure and restoring the site. Nor did they include further engineering review and/or the potential design/construction of a retaining

Juan de Fuca Water Distribution Commission – March 3, 2020
Townview Reservoir and Pump Station Decommissioning and Site Disposition Plan 2

structure along the west side of the site that may be required once the reservoir is removed. This work has been conceptually estimated to cost up to \$300,000.

In addition to the decommissioning and demolition work, there is an existing trail that crosses the property that requires realignment to the City of Colwood public footpath allowance connecting Townview Terrace with Haida Drive. This would impact the neighbouring property to the east of the site and will require coordination with the property owner and Colwood staff. City of Colwood has also expressed interest in obtaining a statutory right-of-way for a future sanitary sewer prior to the property being disposed of.

ALTERNATIVES

Alternative 1

That the Juan de Fuca Water Distribution Commission directs staff to:

For the Townview reservoir and pump station site, proceed with an engineering assessment and any necessary site stabilization improvements coincident with the demolition of the existing structures, rezone the property to R1, realign the public path, grant City of Colwood a statutory right-of-way for sanitary sewer, then undertake a public disposition of the property.

Alternative 2

That the Juan de Fuca Water Distribution Commission directs staff to:

Dispose of the Townview property “As Is” by undertaking a public disposition of the property.

IMPLICATIONS

Alternative 1

By directing staff to proceed with an engineering assessment and any necessary site stabilization improvements coincident with the demolition of the existing structures, rezone the property to R1 and undertake a public disposal of the property this will:

- remove the short term and long term liability associated with the concrete structures on the property including any potential impacts to the property or surrounding properties as the structures deteriorate and/or fail over time (if they were to remain) after the disposition;
- remove the liability associated with any other geotechnical or structural issues related to the property and the relationship with the existing structures;
- allow the property to be rezoned;
- allow for transparent disposal of the property in accordance with the Local Government Act (LGA), Part 8, Division 6; and
- allow the most favourable financial return for the JDFWDS, with the net proceeds of the sale being returned to the Service’s capital reserves.

Through the completion of the engineering assessment, staff will consider options to minimize decommissioning and demolition costs, such as partial removal of the concrete structures, while ensuring the neighbouring properties are not impacted and the CRD liability is managed. Public

Juan de Fuca Water Distribution Commission – March 3, 2020
Townview Reservoir and Pump Station Decommissioning and Site Disposition Plan 3

disposal of the property has been estimated to take approximately six to twelve months, including demolition and rezoning. Actual timing will be dependent on the results of the engineering assessment and rezoning approval from the City of Colwood. The City of Colwood would be expected to assist with the trail realignment and fund the costs associated with the establishment of the requested sanitary sewer statutory right-of-way. As noted previously in the report, the 2020 JDFWDS capital plan includes a budget of up to \$400,000 to complete decommissioning and removal of the infrastructure, site restoration and disposition.

There has been interest expressed by two of the neighbouring property owners, to acquire the property directly from the CRD. This method of disposition could be considered under the LGA, Part 8, Division 6, Section 285 (2)(e), where the disposition is to an owner of adjoining land for the purpose of consolidating the lands. Given that there are multiple adjoining properties interested in the site, and there is likely other interest as well, it is recommended to make the land available to the public broadly through the disposition process.

Alternative 2

By directing staff to dispose of the Townview property “As Is” by undertaking a public disposal of the property, this will:

- not remove the liability associated with the concrete structures on the property; and
- not remove the liability associated with any other geotechnical or structural issues related to the property.

CONCLUSION

The Juan de Fuca Water Distribution Service no longer requires the Townview reservoir and pump station site and it is currently a liability. An engineering assessment and any necessary site stabilization improvements coincident with the demolition of the existing structures will reduce the Capital Regional District’s liability and risk. A public disposal process will allow the most favorable and transparent sale of the property.

RECOMMENDATION

That the Juan de Fuca Water Distribution Commission directs staff to:

For the Townview reservoir and pump station site, proceed with an engineering assessment and any necessary site stabilization improvements coincident with the demolition of the existing structures, rezone the property to R1, realign the public path, grant City of Colwood a statutory right of way for sanitary sewer, and then undertake a public disposition of the property.

Submitted by:	Joseph Marr, P.Eng., Acting Senior Manager, Water Infrastructure Operations
Concurrence:	Stephen Henderson, Manager, Real Estate Services
Concurrence:	Ian Jesney, P.Eng., Senior Manager, Infrastructure Engineering
Concurrence:	Ted Robbins, B.Sc., C.Tech., General Manager, Integrated Water Services
Concurrence:	Robert Lapham, M.C.I.P., R.P.P., Chief Administrative Officer

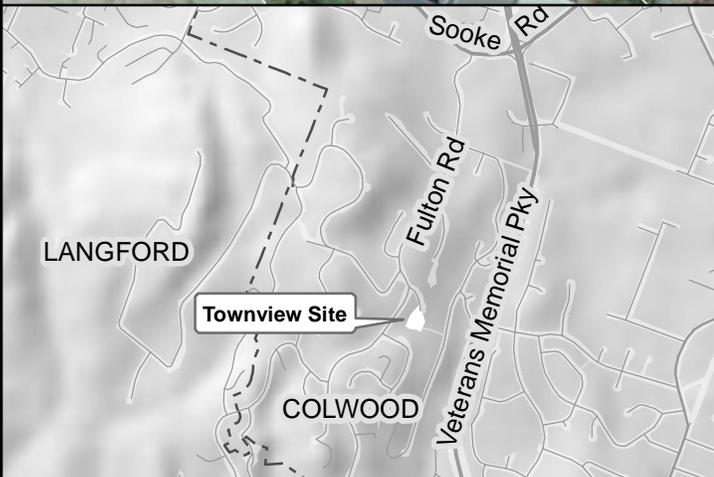
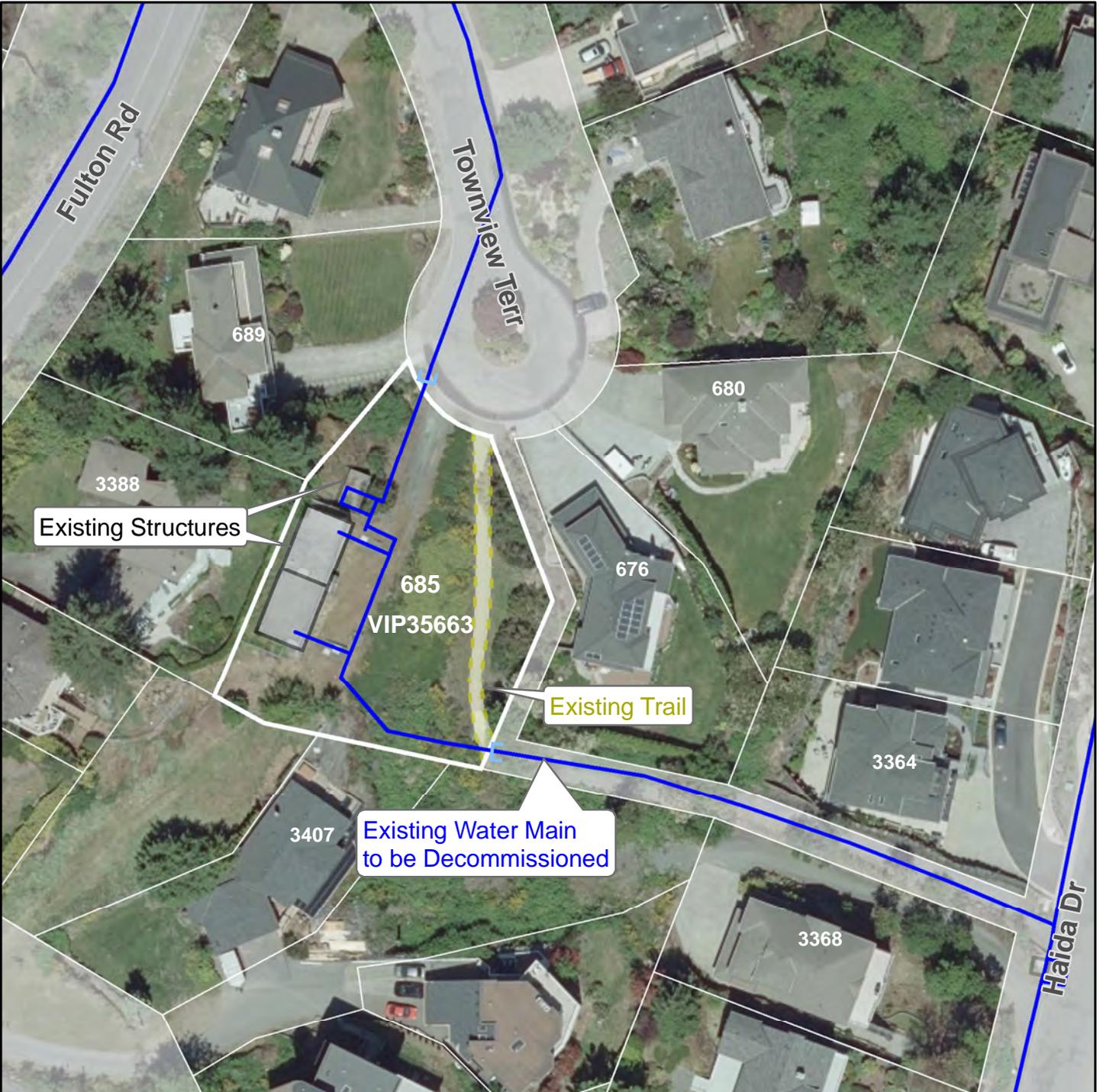
Juan de Fuca Water Distribution Commission – March 3, 2020
Townview Reservoir and Pump Station Decommissioning and Site Disposition Plan 4

ATTACHMENTS

Appendix A: Figure 1 - Townview Property Site Plan

Appendix B: Figure 2 - Townview Reservoir and Pump Station Site Photo

Appendix C: Appraisal - D.R. Coell & Associates



Townview Property Site Plan
VIP35663 - 685 Townview Terrace

Figure 1

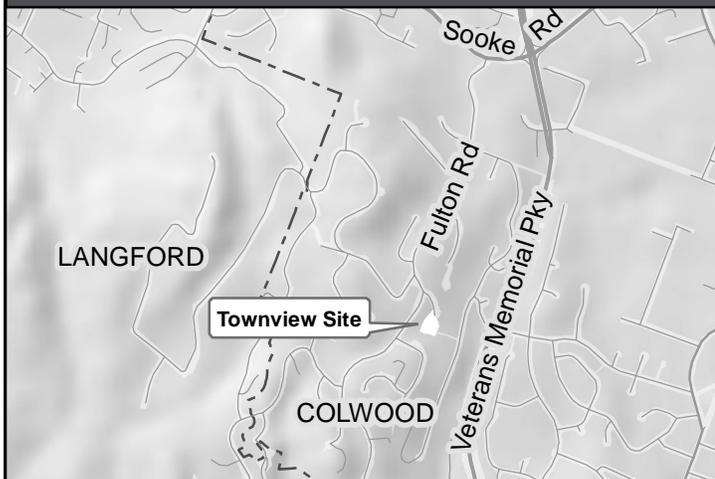


UTM Zone 10N NAD 1983



DISCLAIMER

This map is for general information only and may contain inaccuracies.
 January 2020 | TownviewPropertySitePlan.mxd | helpdesk@crd.bc.ca



Townview Reservoir and Pump Station Site Photo

Figure 2



UTM Zone 10N NAD 1983



DISCLAIMER

This map is for general information only and may contain inaccuracies.

January 2020 | TownviewLocation.mxd | helpdesk@crd.bc.ca



D.R. COELL
 & ASSOCIATES
 EST. 1974

APPRAISAL OF:
LOT A, SECTION 64, ESQUIMALT DISTRICT,
PLAN 35663. PID 000-361-631
COLWOOD, BC

VALUATION DATE
 July 24, 2019

PREPARED FOR
 Capital Regional District



Our File: 7947-V-V-LMS953

August 28, 2019

Capital Regional District
PO Box 1000, 625 Fisgard Street
Victoria, BC. V8W 2S6

Dear Ms. Jessica Arnet:

**Re: Appraisal of PID 000-361-631 – Colwood, BC
Lot A, Section 64, Esquimalt District, Plan 35663**

As requested, I have completed a Current Market Value appraisal of the above captioned property as of an effective date of July 24, 2019 both on an “as is” and an “as vacant + zoned R1” basis.

It is my considered opinion that, *subject to the assumptions and limiting conditions contained within this report*, the Current Market Values of the subject property, as of July 24, 2019, are estimated to be:

Current Market Value “As Is”:	\$260,000**
Current Market Value “As Vacant + Zoned R1”:	\$450,000**

** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.

A detailed description, summary and analysis leading to the conclusion of value are included herein. Should you require further information with regard to this report or wish to discuss same, please do not hesitate to contact us.

Yours very truly,

D.R. COELL & ASSOCIATES INC.

Per:

Appraiser



Liam Fast, B.Comm., AACI, P.App
AIC Membership #: 907600

Digital Signature Security: Microsoft

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.

LF/rh

D.R. COELL & ASSOCIATES
REAL ESTATE VALUATION & ADVISORY SERVICES

TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Executive Summary	1
Purpose of The Appraisal	2
Intended Use of The Appraisal	2
Definition of Market Value	2
Property Rights Appraised	3
Relevant Dates	3
Scope of The Report	3
Sales History and Title Search	5
Assumptions and Limiting Conditions	6
Provincial Market Overview	8
Greater Victoria Market Overview	10
City of Colwood	14
Site Description	15
Assessments and Taxation	20
Land Use Controls	21
Highest and Best Use	26
Valuation Procedure	31
Direct Comparison Approach	33
Summary and Final Estimate of Value	53
Exposure Time	54
Appraiser's Certification	55
Addenda	56
Ordinary Assumptions and Limiting Conditions	57
Title Search Prints	62
Zoning Extract	63



EXECUTIVE SUMMARY

The subject property consists of a public utility zoned lot which is a potential residential development site. The sloping lot offers excellent ocean views and is located in the Triangle area of Colwood, BC. The property is appraised both “as is”, considering the decommissioned reservoir improvements and P3 zoning and “as vacant + zoned R1” within this report.

Jurisdiction: City of Colwood

Legal Description: Lot A, Section 64, Esquimalt District, Plan 35663
PID: 000-361-631

Lot Size: 17,336 sq. ft. (0.40 Acres)

Current Improvements: A decommissioned concrete reservoir with stone veneer cladding, chain-link fencing, and metal steps as well as supporting underground utility infrastructure.

Zoning: “As is”: P3, Public Utility Zone
“As vacant + R1”: R1, Single Family Residential

Official Community Plan: Neighbourhood Hillside and Shoreline

Highest & Best Use: “As is”: Rezoning and development with a single family dwelling.
“As vacant + zoned R1”: Subdivision and single family dwelling development.

Date of Inspection: July 24, 2019

Effective Date: July 24, 2019

Current Market Value Estimates:

Current Market Value “As Is”:	\$260,000**
Current Market Value “As Vacant + Zoned R1”:	\$450,000**

*** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.*



PURPOSE OF THE APPRAISAL

The purpose of this appraisal is to estimate the Current Market Value of the subject property on an “as is” basis and on an “as vacant + zoned R1 basis” as of the effective date of July 24, 2019.

INTENDED USE OF THE APPRAISAL

The intended use of this appraisal is for information purposes for the client, the Capital Regional District. No other users of the report are intended, and it is not reasonable for any other person to rely on this report without first obtaining written authorization from the client and author of this report. This report has been prepared on the assumption that no person will rely on it for any purpose other than that specifically outlined above and all liability to such persons is strictly denied.

DEFINITION OF MARKET VALUE

Market value is defined by the Appraisal Institute of Canada as follows:

“The most probable price which a property should bring in a competitive and open market as of the specified date 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 specified date and the passing of title from seller to buyer under conditions whereby:

- 1) Buyer and seller are typically motivated;
- 2) Both parties are well informed or well advised and acting in what they consider 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 terms of financial arrangements comparable thereto; and
- 5) The price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions granted by anyone associated with the sale.

PROPERTY RIGHTS APPRAISED

The property rights appraised are those of the Fee Simple interest in the deeded property. A Fee Simple Estate is defined as follows:

“Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat.”

RELEVANT DATES

Effective Date of Appraisal: July 24, 2019

Dates of Inspection: July 24, 2019

SCOPE OF THE REPORT

This is a Narrative Appraisal Report and complies with the reporting requirements set forth under the Canadian Uniform Standards of the Appraisal Institute of Canada (CUSPAP 2018). 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 the Current Market Value of the subject property. 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. In preparing the report, the principal steps followed by the appraiser include:

- ▶ Instructions concerning the purpose and intended use of the appraisal were received from Ms. Jessica Arnet of the Capital Regional District. A quote was submitted and a contract for services formalized prior to proceeding with the valuation assignment;
- ▶ Conducted an on-site inspection of the subject property on July 24, 2019;
- ▶ Searched the property title, legal plan and other registered charges at the BC Land Title and Survey Authority online database;
- ▶ Reviewed the City of Colwood Zoning Bylaw and OCP in addition to the various applicable subdivision policies for the area;

- ▶ Interviewed market participants including local realtors;
- ▶ Reviewed available data regarding the local market;
- ▶ Reviewed sales and listing data on comparable properties;
- ▶ Observed area and neighbourhood activity;
- ▶ Valued the property by the Direct Comparison Approach;
- ▶ The appraiser has relied upon sales and listing activity reported by the Victoria Real Estate Board, realtors, vendors/purchasers active in the local market, contracted reporting services such as Landcor, the BC Land Title and Survey Authority, information provided by the client and verified to the best of our ability, and files within the office of D.R. Coell & Associates Inc.;
- ▶ The analysis set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. Unless otherwise stated herein, we did not verify client-supplied information, which we believed to be correct. The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

We did not complete technical investigations such as:

- ▶ Detailed inspections or an engineering review of the structure, roof or mechanical systems of the existing house;
- ▶ An environmental review of the property;
- ▶ A site or building survey; or
- ▶ Investigations into the bearing qualities or possible contamination of the soils.



SALES HISTORY AND TITLE SEARCH

Fee Simple ownership of the subject property is currently registered as follows:

Legal Description	Lot A, Section 64, Esquimalt District, Plan 35663
Title Numbers	EL107285
Registered Owners	Capital Regional District
Registration Date	September 16, 1997
PIDs	000-361-631

The subject lot is currently registered in Fee Simple ownership in the name of the Capital Regional District. The title was created by a deed deposited at the BC Land Title Office on September 16, 1997.

Sales History:

The subject property is not currently listed for under contract for sale, nor is there any current marketing associated with the subject property to the best of my knowledge. All registered transfers within the past three years are as reported above.

Legal Encumbrances:

There are no legal encumbrances registered on the subject property's certificate of title.

No professional legal opinion as to the state of the subject property's title has been obtained. For a full list of legal notations and charges affecting the subject, a copy of the title is included in the addenda.

ASSUMPTIONS AND LIMITING CONDITIONS

This appraisal is contingent upon a number of general assumptions and conditions, which are listed in the addenda as Ordinary Assumptions and Limiting Conditions.

A variety of other assumptions and subjective judgements are necessary in the valuation process. These are made throughout the report where necessary and deemed appropriate. All of the assumptions and limiting conditions should be considered when reading this report, and if the reader does not fully concur with them, this report should not be used.

*Wherever value estimates are provided throughout this report, a **** Note** will appear referring the reader to this section and the specific Extraordinary Assumption(s) and Hypothetical Condition(s) noted below.*

Extraordinary Assumptions

An Extraordinary Assumption refers to a hypothesis (either supported or unconfirmed), which, if not true, could alter the Appraiser's opinions and conclusions. The following extraordinary assumptions apply to this appraisal report:

It is assumed that the decommissioned reservoir improvements and all associated underground utility infrastructure not conducive to single family dwelling development have been removed from the lot and the property has been rezoned to R1 in the "as vacant + zoned R1" valuation herein.

Hypothetical Conditions

A Hypothetical Condition is something which is contradictory to what exists but is supposed for the purpose of analysis. Hypothetical conditions may be used when they are required for legal purposes of reasonable analysis or for purposes of comparison. Common Hypothetical Conditions include proposed improvements and prospective appraisals. For every Hypothetical Condition, an Extraordinary Assumption is required.

The subject lot is appraised as though the existing decommissioned reservoir improvements have been demolished and removed from the site and as though the property has been rezoned to R1 in the "as vacant" valuation.



Extraordinary Limiting Condition

An Extraordinary Limiting Condition refers to a necessary modification or exclusion of a standard rule of appraisal. Before accepting the assignment and invoking this limiting condition, the Appraiser has concluded that the scope of work applied will result in credible opinions and conclusions.

In this case, no Extraordinary Limiting Conditions were invoked.

Jurisdictional Exception

The Jurisdictional Exception permits the appraiser to disregard a part or parts of the Standards determined to be contrary to law or public policy in a given jurisdiction and only that part shall be void and of no force or effect in that jurisdiction. The following comments identify that part or parts, if any, and the legal authority justifying these actions.

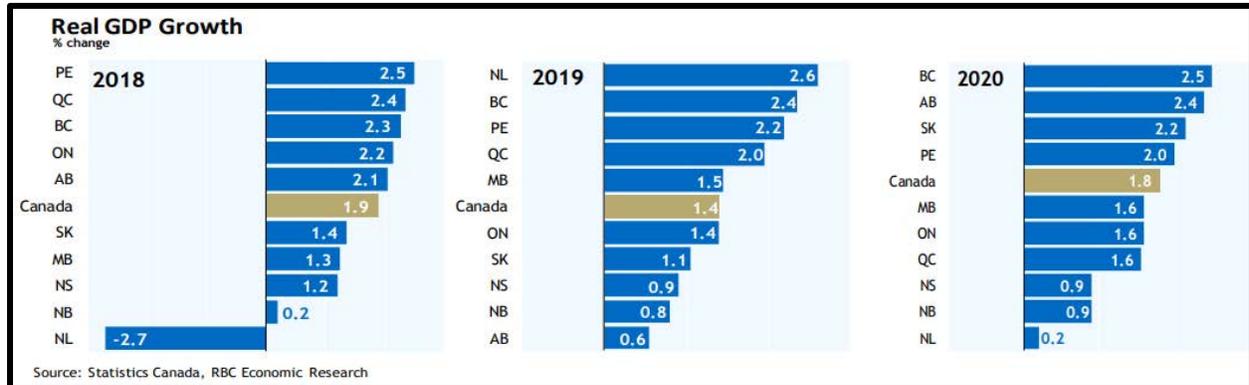
In this case, no Jurisdictional Exceptions were invoked.

PROVINCIAL MARKET OVERVIEW

As per the Provincial Outlook report published June 2019 by RBC:

BRITISH COLUMBIA – As housing slumps, business investment takes over

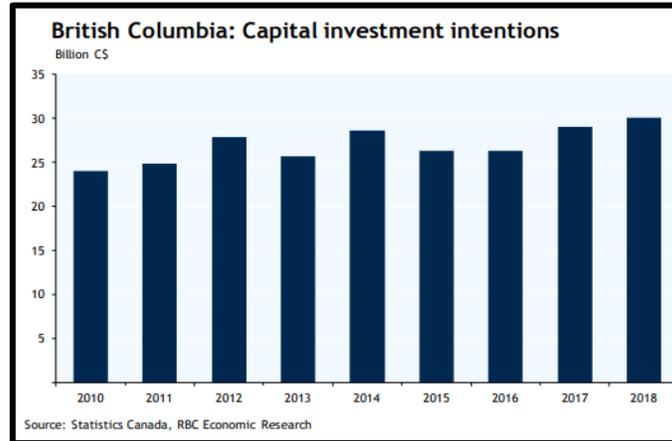
While the housing market downturn grabs most headlines these days, a \$4 billion surge in business capital spending is the bigger story this year. It will keep BC near the top of the provincial growth rankings.



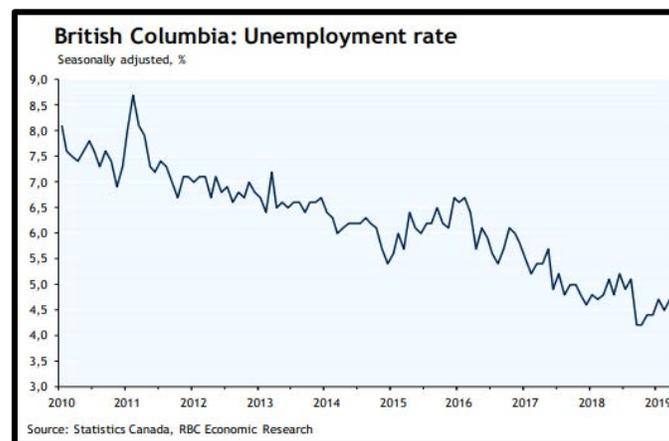
After leading all provinces in growth in 2016 and 2017, the BC economy slowed its pace last year—albeit to a still-respectable rate of 2.3% (third-fastest rate among the provinces). The significant cooling in the provincial housing market contributed strongly to this slowing, which had ripple effects across a number housing-sensitive industries in the services and manufacturing sectors. The labour market continued to be very robust, however. Job creation was healthy, if unspectacular, and the unemployment rate stood as the lowest among the provinces (4.7%).

Generally softer undertones have carried into 2019. Activity in the Vancouver housing market fell to a decade low this spring and prices continued to slide. There are now a lot more units for sale in the province which reduces demand for, and construction of new homes (especially of more expensive single-detached). Declining sales of building materials, furniture and motor vehicles are clear signs that the housing downturn is weighing on BC consumers who have become more circumspect. This is in stark contrast to their overflowing confidence not so long ago when rapidly-rising housing wealth fueled a four-year long shopping spree in the province.

Multiple layers of housing policy tightening will keep the market cool. Vancouver's benchmark price is down 8.9% since the June 2018 peak and we see it sliding further in the near term. This won't fuss policymakers who we suspect are quite pleased with the current state of affairs. Their intent ultimately is to tackle Vancouver's (and arguably Victoria's) severe affordability issues, so we expect them to keep suppressing homebuyer demand to sustain downward pressure on property values.



Yet a soft housing market and more cautious consumers aren't about to trip up BC's economy. A surge in spending on major capital projects will pick up any slack. Businesses plan to boost their capital expenditures by nearly \$4 billion (up 13%) this year—the biggest increase ever in dollar terms. The ramping up of construction of the \$40-billion LNG Canada megaproject in Kitimat, in particular, will generate a groundswell of activity in the province. Commercial real estate also is on an upswing—driving non-residential investment 21% above year-ago levels in the first quarter of 2019. Vigour in the non-residential construction will keep overall economic growth near the 2.5% mark in 2019 and 2020—strong enough to uphold BC's top-tier provincial growth ranking.



% change unless otherwise specified					
	2016	2017	2018F	2019F	2020F
Real GDP	3.2	3.8	2.3	2.4	2.5
Nominal GDP	6.0	6.9	4.6	4.5	4.7
Employment	3.2	3.7	1.1	2.5	0.7
Unemployment Rate (%)	6.0	5.1	4.7	4.9	5.0
Retail Sales	7.7	9.3	2.0	3.0	3.5
Housing Starts (Thousands of Units)	41.8	43.7	40.9	39.8	35.0
Consumer Price Index	1.9	2.1	2.7	2.2	1.8

SOURCE: RBC ECONOMIC RESEARCH – JUNE 2019

GREATER VICTORIA MARKET OVERVIEW

Victoria is the capital city of British Columbia. Metropolitan population, according to the 2016 census, was 367,770, an increase of 6.7% since the 2011 census.

The economy of Greater Victoria is heavily dependent on public administration, defense, post-secondary education, health care, high-tech industries, tourism and the wholesale/retail trade. Primary industry and manufacturing account for less than 5% of the labour force. Victoria is the west coast base for the Canadian Navy, with 6,000 service and support personnel. There is also considerable ship repair work done in the area. The University of Victoria has an enrollment of approximately 21,000 students with Royal Roads University and Camosun College rounding out the structured post-secondary educational community. Victoria has twice the average Canadian per capita retired population; services to seniors are a significant and growing industry.

Mortgage rates have seen numerous recent increases from historical low levels due to the Bank of Canada implementing a policy of monetary tightening which saw multiple hikes to the overnight rate. Higher mortgage rates, combined with the mortgage stress tests implemented by CMHC in 2018, had the impact of softening the residential property market in Greater Victoria as the purchasing power of consumers declined significantly.

Construction Data

The value of building permits declined through 2011 to 2013, rising significantly in 2014, and declining slightly in 2015. 2016 and 2017 were extremely strong years with permit values rising between 24% and 49% per annum. While a modest increase in the value of overall permits of 5.0% was observed in 2018, a substantial increase in the value of residential permits was observed. This was primarily from pre-planned projects moving ahead prior to the slowdown in the residential market in the second half of the year.

Value of Building Permits in the Capital Regional District

Year	Commercial	Industrial	Institutional	Residential	Totals
2009	\$192,597,467	\$19,612,706	\$185,303,755	\$ 399,678,675	\$ 797,192,603
2010	\$182,082,351	\$16,850,840	\$ 85,761,500	\$ 496,469,174	\$ 781,163,865
2011	\$153,988,758	\$15,931,447	\$ 45,092,200	\$ 438,001,765	\$ 653,014,170
2012	\$169,262,086	\$18,236,967	\$ 26,377,927	\$ 451,051,908	\$ 664,928,888
2013	\$ 75,690,940	\$15,822,730	\$145,907,266	\$ 367,923,957	\$ 605,344,893
2014	\$128,085,223	\$13,066,668	\$149,794,113	\$ 431,927,665	\$ 722,873,669
2015	\$110,123,116	\$21,787,621	\$ 53,461,568	\$ 523,184,479	\$ 708,556,784
2016	\$134,805,520	\$27,108,282	\$ 79,109,793	\$ 817,672,160	\$1,058,695,755
2017	\$166,135,621	\$28,756,557	\$154,135,000	\$ 966,422,485	\$1,316,079,663
2018	\$ 83,974,000	\$13,409,000	\$ 77,062,000	\$1,207,111,031	\$1,381,957,031

Vacancy Levels

Vacancy levels in all sectors have been relatively stable over the past five years. Victoria has a generally strong economy and a limited land base, resulting in limited speculative development. Most commercial development is largely pre-leased prior to construction. The following chart summarizes vacancy levels reported by Colliers and CMHC:

YEAR	OFFICE	RETAIL	INDUSTRIAL	APARTMENT
2009	4.50%	2.10%	1.60%	1.40%
2010	9.14%	3.50%	3.70%	1.50%
2011	8.28%	3.14%	3.40%	2.10%
2012	8.76%	4.38%	4.15%	2.70%
2013	9.20%	3.96%	4.50%	2.81%
2014	9.60%	4.97%	4.59%	1.50%
2015	9.20%	5.18%	5.69%	0.60%
2016	7.81%	4.43%	4.88%	0.50%
2017	8.74%	4.37%	2.40%	0.70%
2018	6.60%	4.1%*	1.10%	1.20%

*Downtown Street Retail Front Vacancy. Shopping Centre Vacancy was 7.0% (Source: Colliers Q4 2018).

Single Family Housing Market

Housing prices increased substantially from 2002-2008, prior to declining with the onset of the 2008 recession. By 2015, values had increased back to previous peak levels with improved sales volume. Increases were observed in the residential market over the following years. Moderate increases were observed in 2018 before the market softened and many sectors declined by the end of the year.

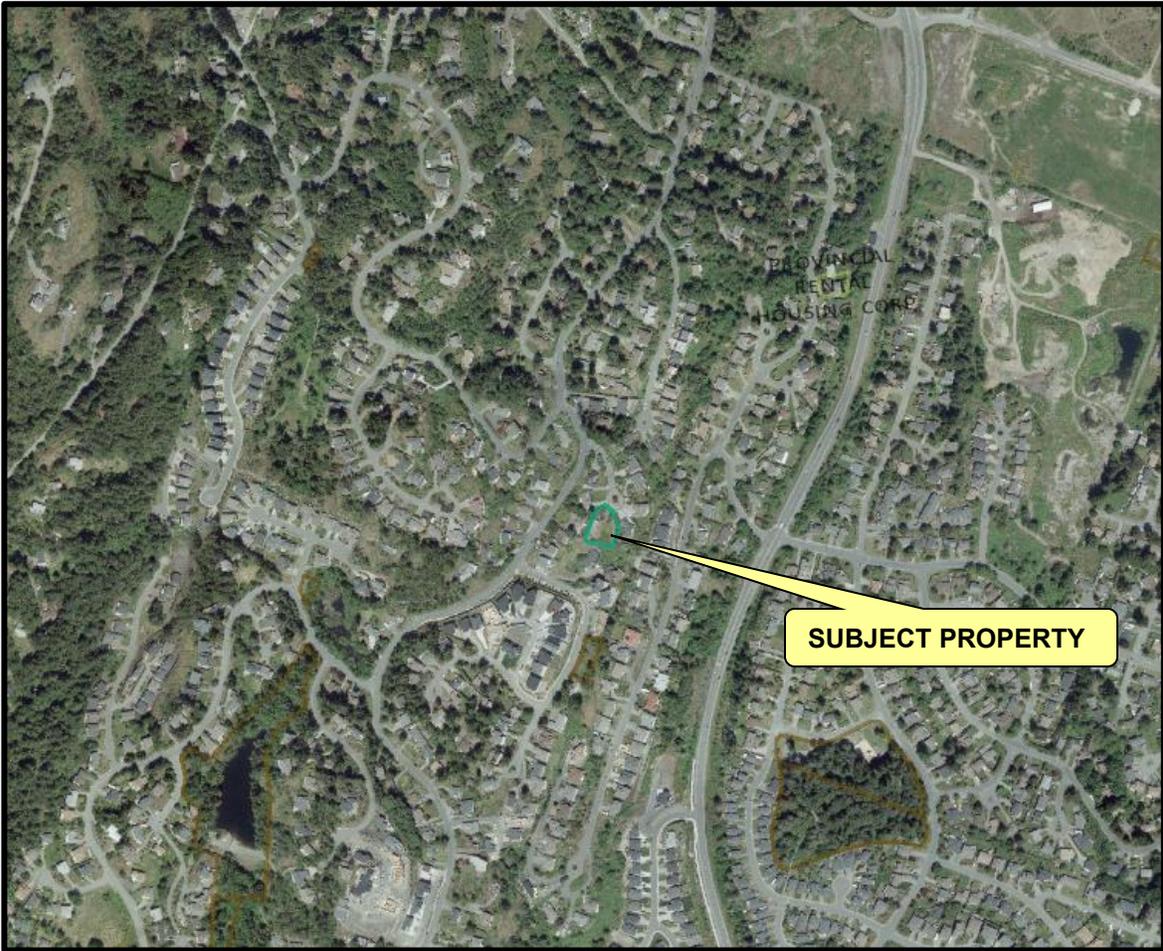
A total of 740 properties sold in the Victoria Real Estate Board region this June, 4.5% more than the 708 properties sold in June 2018 but a 12.7% decrease from May 2019. Sales of condominiums were down 6.1% from June 2018 with 216 units sold. Sales of single family homes increased 10.4% from June 2018 with 394 sold. There were 3,040 active listings for sale on the Victoria Real Estate Board Multiple Listing Service® at the end of June 2019, an increase of less than 1% compared to the month of May and a 17.1% increase from the 2,595 active listings for sale at the end of June 2018.

Median Single-family House Prices and Sales Volumes in Greater Victoria through MLS

Date	Median Price	Sales	Annual Sales	
June 2015	\$569,000	481	2014	3,451
June 2016	\$656,500	585	2015	4,285
June 2017	\$769,450	476	2016	5,256
June 2018	\$780,000	317	2017	4,069
June 2019	\$785,750	348	2018	3,187



AERIAL MAP





REGIONAL LOCATION MAP



CITY OF COLWOOD

The City of Colwood is one of the several municipalities and electoral areas which comprise the area often referred to as the 'Western Communities' of the Capital Regional District (CRD). The municipality is located 7 kilometres west of Victoria's Inner Harbour and is bordered by View Royal to the north, Metchosin to the south, Langford to the west and Strait of Juan de Fuca to the east.

Colwood has a total area of 18 square kilometres. The municipality is crossed by Highway 14 which runs from View Royal to Sooke and branches off routes west to Langford and south to Metchosin. There are several large land uses located along the coastline on the eastern side of the city. The north and central portion of the coastline have several defense and institutional uses including Royal Roads University. The southern coastal area is being utilized by a gravel extraction operation which occupies much of the southern portion of the municipality. The gravel operation is being phased out and a residential community is being developed at the site. Housing development is very active in the City.

Commercial activities in Colwood are limited and are primarily concentrated in two clusters along Sooke Road. The larger of the two concentrations is in the area around the Goldstream Avenue intersection and north toward View Royal. The smaller area is near the Kelly Road intersection.

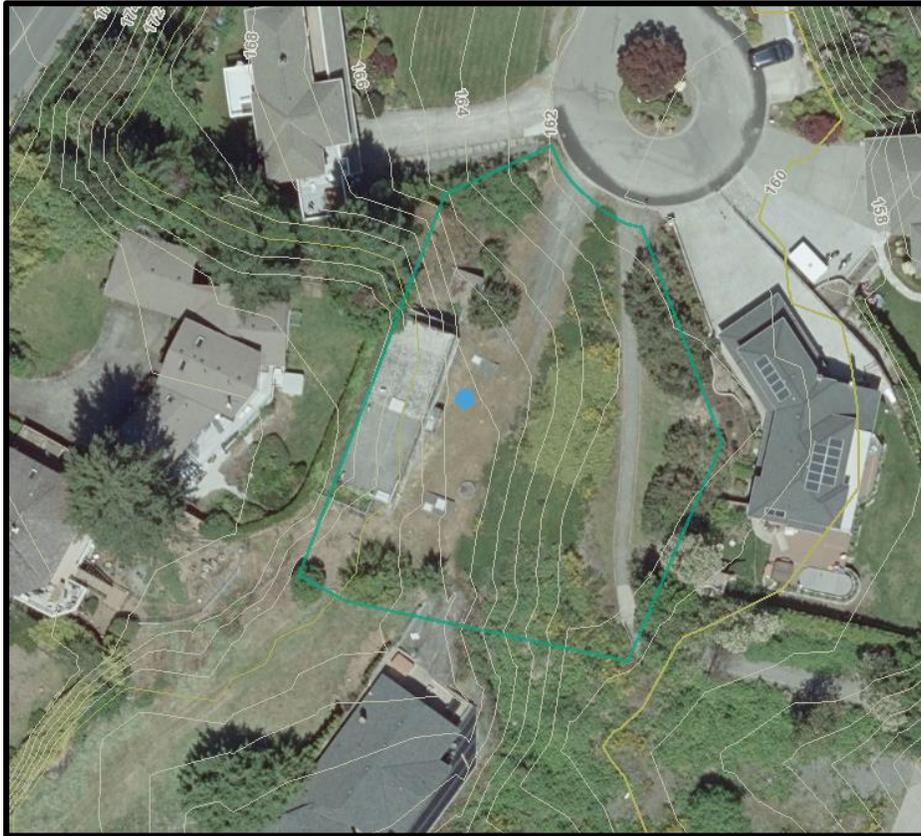
The City of Colwood's population was approximately 16,859 in 2016. The population has seen rapid increases in recent years which is anticipated to continue.

A major constraint on Colwood's growth rate has been the limited supply of developable land and the lack of a sewer network in many areas. However, the sanitary sewer network within Colwood has been expanded significantly over the past decade. Colwood and the adjoining jurisdictions of Langford and View Royal, collectively referred to as the West Shore, are anticipated to absorb much of Greater Victoria's growth over the next several decades.

More specifically, the subject is located within the Triangle neighbourhood of Colwood which extends south from Sooke Road, along either side of Veterans Memorial Parkway. It is bounded by the Wishart community to the east, the Latoria community to the south, Sun Ridge to the north and the City of Langford to the west. Triangle is elevated on a hillside with many steep slopes and with many homes offering excellent ocean and valley views. The subject property has a good location for a residential development lot.



SITE DESCRIPTION



TOPOGRAPHICAL MAP PER THE CRD GIS



PROPOSED SUBDIVISION PLAN

Basic site details are presented as follows:

- Lot Size:** 17,336 sq. ft. (0.40 Acres)
- Frontage:** Narrow frontage onto Townview Terrace to the north.
- Configuration:** Irregular pie-shaped configuration consisting of a lot which widens towards its rear to the south.
- Topography:** Sloping down from west to east with a steep slope up towards the west site boundary.
- Services:** Full municipal services are currently available to the lot line, including paved road access, hydro, internet, cable television, telephone, municipal water and sewer lines, fire and police protection.
- Soil Conditions:** Some additional site preparation and development costs are anticipated as a result of the hillside location (i.e. retaining walls, bracing, etc.). Given the sloping topography, the site appears to be well drained. A hazardous materials survey report was provided to the appraiser for review, indicating no asbestos was found on-site. It is an assumption of this report is that the site is free of environmental contamination.
- No soil studies or engineering reports have been provided to the appraiser for review and it is beyond the scope of the report to verify the bearing quality or possible contamination of the soil.
- Site Influences:** This is an upland site, situated well outside of the nearest Tsunami hazard zone. The hillside site offers good ocean views to the southeast. If subdivided into two lots, the west lot would offer good ocean views and the east lot would offer modest ocean views, obstructed by neighbouring property. If developed “as is”, without removing the reservoir improvements, a house would be sited towards the east side of the lot, offering only modest / largely obstructed ocean views.
- Legal Encumbrances:** There are no legal encumbrances on the title to impact the value or marketability of the lands.

SITE PHOTOGRAPHS



TOWNVIEW TERRACE – LOOKING NORTH



TOWNVIEW TERRACE – LOOKING SOUTH



SUBJECT – LOOKING SW FROM STREET



SUBJECT – LOOKING SW FROM STREET



GRAVEL PATHWAY ON-SITE



GRAVEL PATH EXTENDING SOUTH FROM SUB.



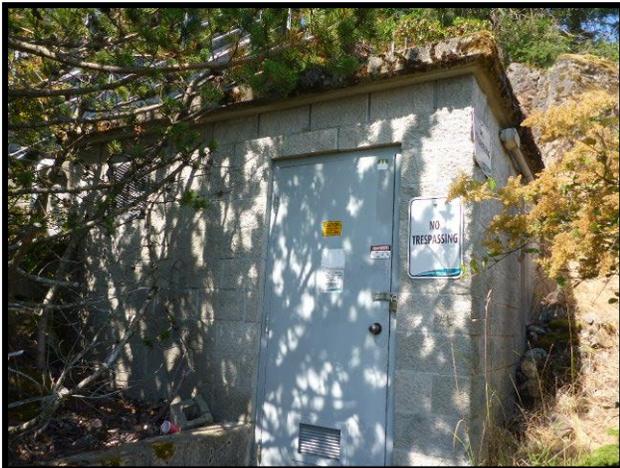
SITE PHOTOGRAPHS



SUB. – LOOKING SW TOWARDS REAR OF SITE



SUB. – LOOKING WEST TOWARDS RESEVOIR



SUBJECT – ELECTRICAL ROOM



SUBJECT – LOOKING WEST TO RESEVOIR



SUBJECT – LOOKING WEST



SUBJECT – LOOKING NE TO STREET

SITE PHOTOGRAPHS



VIEW SOUTH FROM SUBJECT



VIEW SW FROM SUBJECT



VIEW SE FROM SUBJECT



VIEW NW DOWN SUBJECT DRIVEWAY



ASSESSMENTS AND TAXATION

Properties in British Columbia are assessed every year for taxation purposes. Assessments are to be at actual value, which is defined as the Market Value of the Fee Simple interest, as of July 1 of the previous year. The 2019 assessed value is as of an effective date of July 1, 2018.

The subject property's assessed value is as follows:

	<u>PID 005-887-895</u>
Roll #:	5167022
Land:	\$430,000
Improvements:	\$ 4,800
Exemption:	<u>\$434,800</u>
Taxable Assessment:	\$ 0
Property Taxes:	\$ 0

Note: The 2019 assessed land value of \$430,000 equates to an assessed value of \$24.80/sq. ft. (\$1,075,000/acre).

LAND USE CONTROLS

The subject property is zoned P3, Public Utility Zone under Colwood's Bylaw No. 151.

Permitted Uses

In addition to the uses permitted by Section 2.1.10 of this Bylaw, the following uses and no others shall be permitted in the Public Utility (P3) Zone:

1. Public Utility Use; and
2. Accessory Buildings and Structures

Height of Buildings

The height of a building shall not exceed 5.5 m (18.04 feet).

Lot coverage

Maximum of 40%.

Subdivision Requirements

The minimum lot area created by subdivision is to be 1,600 sq. m. (17,223 sq. ft.).

Based on a review of the P3 (Public Utility Zone), the current decommissioned utility use of the lands is legally permitted.

The subject property is highly restricted in available uses under its current zoning and no longer benefits from its P3 zoning as the reservoir improvements have been decommissioned. Thus, the rezoning of the site is probable. Given the subject's OCP designation and the R1 zoning of all of the surrounding properties in the subdivision, a rezoning of the site to R1 appears to be the most probable application to receive approval.

An overview of the R1 (Residential) zone is presented as follows:

Permitted Uses

1. One-family dwelling and two-family dwelling;
2. Group Home Use;
3. Home occupation;
4. Not more than 2 boarders or lodgers in a dwelling unit provided that no Dwelling Unit shall be occupied by more than four unrelated persons;

5. Accessory buildings and structures;
6. Secondary suite;
7. Accessory dwelling unit and
8. Show homes

Based on the preceding, the existing public utility use of the subject property appears to be a legal and conforming use of the lands.

In the “as vacant + zoned R1” valuation scenario, the subject property is assumed zoned R1, Residential 1 Zone. A brief overview of the R1 zone is presented as follows:

Permitted Uses

In addition to the uses permitted by Section 2.1.10 of this Bylaw, the following uses and no others shall be permitted in the Residential 1 (R1) Zone:

1. One-family dwelling and two-family dwelling;
2. Group Home Use;
3. Home occupation;
4. Not more than 2 boarders or lodgers in a dwelling unit provided that no dwelling unit shall be occupied by more than four unrelated persons;
5. Accessory buildings and structures;
6. Secondary suite;
7. Accessory dwelling unit; and
8. Show homes

Number of Residential Buildings

There shall be not more than one one-family dwelling or one two-family dwelling on a lot.

Two-family Dwelling Regulations

The minimum lot area required for a two-family dwelling shall be 1,100 m² (11,841 sq. ft.).

A two-family dwelling shall not be located on a panhandle lot.

A two-family dwelling shall not be located on a lot with a front lot line of less than 82 feet.

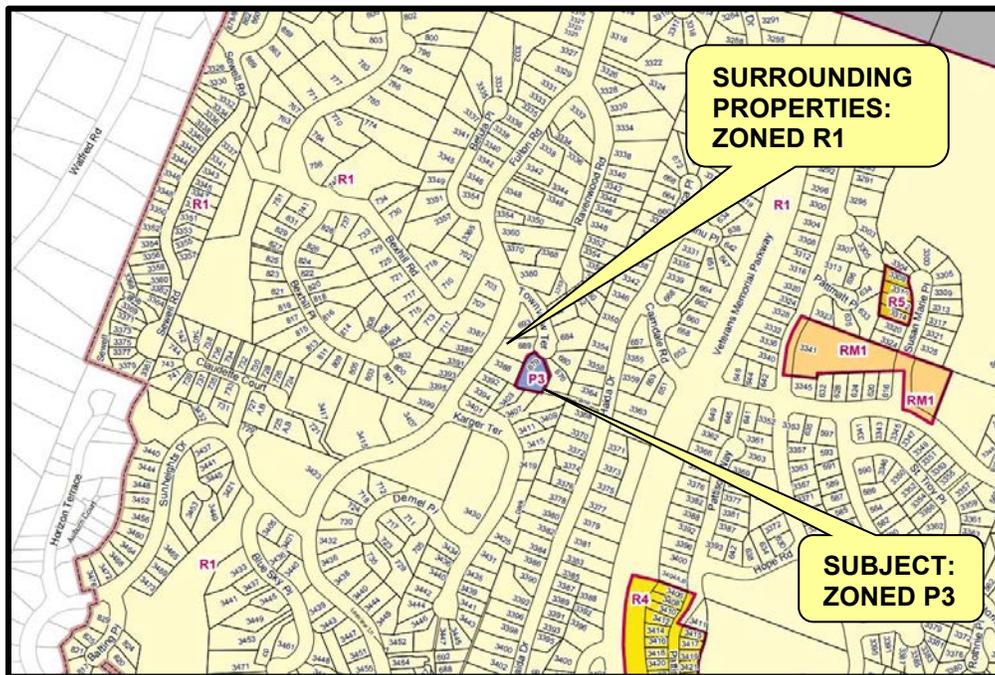
Size and Shape of Buildings

- 1. The minimum ground floor area of a dwelling unit shall be 80 m² (861 sq. ft.);
- 2. The minimum average width of a dwelling unit shall be not less than 7 m (22.97 feet);
- 3. The height of a building shall not exceed 8.5 m (27.89 feet);
- 4. The floor area ratio of a residential building shall not exceed 0.4:1;
- 5. Notwithstanding Subsection (4), the maximum gross floor area of a residential building shall not exceed 350 m² (3,767 sq. ft.).

Lot Coverage

- 1. The maximum lot coverage for a one-family dwelling use shall be 35 percent of the lot.
- 2. The maximum lot coverage for a two-family dwelling use shall be 25 percent of the lot.

Based on the preceding, the subject property “as vacant + zoned R1” appears to offer subdivision potential into two single family lots. For a full list of rules and regulations associated with the P3 and R1 zones, the City of Colwood’s Zoning Bylaw No. 151 should be consulted. Excerpts of each of these zones are included in the addenda for reference.



SOURCE: CITY OF COLWOOD

Official Community Plan (OCP)

The City of Colwood adopted the “2018 Colwood Official Community Plan” (Bylaw No. 1700) at their regular council meeting on August 27, 2018. Under this plan, the subject is designated “Neighbourhood Hillside and Shoreline” (NHS).

Neighbourhood Hillside and Shoreline areas are established neighbourhoods historically comprised largely of single-detached homes, and predominantly located on hillsides or near the shoreline. The land use objective for these areas is the same as in the “Neighbourhood” land use designation, as well as to be exceptionally supportive of protecting natural features and sensitive ecological areas.

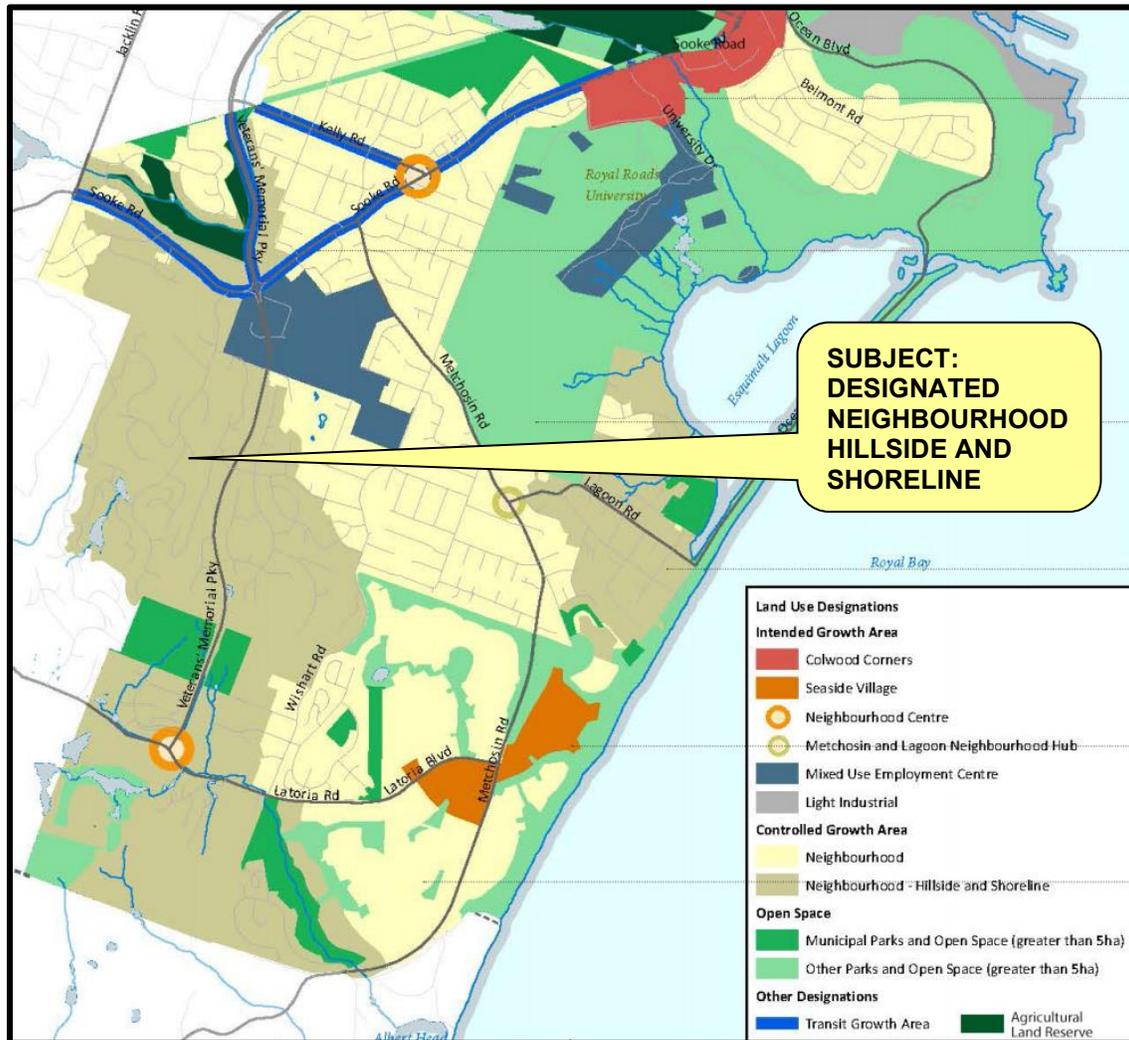
Uses supported by the NHS designation are as follows:

- a. Single-detached residential
- b. Secondary suites and coach houses
- c. Ground-oriented multi-unit residential, including duplexes & townhouses
- d. Live/work and home occupations
- e. Institutional
- f. Limited commercial and mixed-use, on a case-by-case basis
- g. Low rise multi-unit residential in very limited situations, and only where significant environment

The built-form within NHS areas is to consist of:

- a. Ground-oriented buildings up to approximately three storeys
- b. Low rise buildings of no more than six storeys
- c. FAR ranging up to approximately 1.2:1

For a full list of directions relating to the Neighbourhood Hillside and Shoreline (NHS) and the Neighbourhood designations, Colwood’s OCP should be consulted. Based on a review of the OCP guidelines in place, it appears rezoning to R1, subdivision and development with two single family dwellings is supported.





HIGHEST AND BEST USE

Highest and best use is defined by the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP) 2018 Edition as follows:

The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.

The principle of highest and best use is fundamental to the concept of value in real estate. The decision made as to a property's highest and best use must be a legal one from the standpoint of zoning, health regulations and the like, and there must exist a demand for the use.

The Highest and Best Use “as vacant” is that use which yields the highest present land value, after payments are made for labour, capital and co-ordination. The use of a property based on the assumption that the parcel of land is vacant or can be vacant by demolishing any improvements.

In formulating an opinion of highest and best use, the following has been considered:

Physically Possible: The subject property consists of a 17,336 sq. ft. (0.40 acre), irregular shaped development lot which slopes down from west to east. It is located on the south end of a hillside cul de sac, within the Triangle neighbourhood of Colwood. Excellent ocean views are offered to the southeast from this hillside location. The property is presently improved with a decommissioned concrete reservoir with stone veneer cladding as well as a gravel pathway which leads to Haida Drive to the southeast. The parcel has full municipal services running to its various boundaries (tied into neighbouring properties). Paved road infrastructure reaches the lot along its north boundary.

The bearing capacity of the soil is assumed adequate to support a typical development and this valuation assumes the site is not contaminated.

On an “as vacant” basis, the full site area may be taken advantage of for subdivision and development purposes.

On an “as is” basis, the existing improvements are deemed to offer no contributory value as the reservoir has been decommissioned. As the existing reservoir improvements constrain the potentially developable site area, a negative impact on the value of the property is anticipated.

Legally Permissible:

The use must be legally permissible based on land use, any existing leases, easements, deed restrictions or subdivision controls, covenants and restrictions or other public or private limitations.

On an “as is” basis, the property is zoned P3 which permits a limited range of public uses. Given the limited potential uses and highly constrained utility of the site as a result of its P3 zoning, rezoning to R1 (as with all of the surrounding lots) is deemed to be the highest and best use of the land on an “as is” basis. Thus, the value should be similar to that of an R1 property with a deduction required for the time, expenses and risk inherent in the rezoning process.

On an “as vacant + zoned R1” basis, the property is assumed to have been rezoned to R1 and its utility is directly derived from the potential uses associated with the R1 zoning. The R1 zoning indicates that subdivision of the subject into two single family lots would be legally permissible. Based on a discussion with the planning department at the City of Colwood, a review of the OCP, and a review of lot sizes and configurations of neighbouring properties in the surrounding area, it is deemed probable that approval could be achieved for a subdivision application to create two single family lots.

There are no legal encumbrances on title which place restrictions of a material nature on a potential subdivision and/or development.

On an “as is” basis, rezoning is required in order to take advantage of the various permissible uses under the R1 zoning. Expenses and time must be incurred and there is a slight risk that a rezoning application is not approved. Moreover, there is no subdivision potential on an “as is” basis as a result of the significant costs associated with the demolition and disposal of the existing reservoir improvements.

A variety of legally permissible uses are possible on the site when considered on an “as vacant + zoned R1” basis such as subdivision and development with two single family dwellings or development with a duplex.

Financially Feasible:

The use must be financially feasible, producing a positive net financial or economic return to the owner of the site. Demand for well located parcels suitable for single family development within Colwood is anticipated to remain despite a recent cooling of the real estate market in Greater Victoria towards the latter half of 2018 and into 2019. Hillside properties with good ocean views will remain scarce and benefit from above average demand.

The recent drop in sales volume throughout Greater Victoria has placed downward pressure on prices, particularly for properties priced over \$800,000 to \$1,000,000. The speculation tax, intended to target foreign buyers, rising interest rates (which have recently levelled off for the time being and may decrease in the short term), and the implementation of mortgage stress-testing by CMHC have all had the impact of softening the overall property market throughout Greater Victoria. However, recent statistics indicate that it may only be the higher end property market which is to experience a sustained decrease in sales volume.

The Victoria Real Estate Board (VREB) reports that the July 2019 detached property sales volume in Colwood was virtually unchanged from one year earlier. The July 2018 detached property sales volume was up significantly from 2017 which was down significantly from 2016. This compares with neighbouring Langford which saw persistent but slight declines in year-over-year detached property sales volume between July of 2017 and July of 2019. This followed a large year-over-year decline from July 2016.

As of July 2019, the Colwood Single Family Benchmark price was down 0.9% from 3 months earlier, was virtually unchanged from 6 months earlier, and was down 1.0% from 12 months earlier. The Single Family Benchmark Price was down 2.7% from 15 months earlier and down 0.6% from 18 months earlier.

Demand for single family dwellings at lower price points is anticipated to remain strong. Given the ability to subdivide the subject lots, a residential subdivision at the subject location is considered financially feasible.

Maximally Productive: The use must be the maximally productive one from among the financially feasible uses which will produce the greatest net return or result in the highest residual land value.

An analysis of the real estate market indicates that the site has the general characteristics considered appropriate for the development of a small (two lot) residential property subdivision which will offer excellent ocean views to at least one of the lots. Subdivision will both enhance the return on the property and mitigate the risk associated with selling a higher price development lot. Thus, subdivision and development with two single family dwellings represents the most logical and maximally productive use of the lands on an “as vacant + zoned R1” basis.

On an “as is” basis, rezoning would be required, and development based on a constrained site area would then be possible due to the existing reservoir. Thus, there is no subdivision potential on an “as is” basis. Further, the best views would not be taken advantage given the location of the reservoir on the west side of the lot.

Conclusion:

Given the foregoing discussion, the highest and best use of the subject parcel is for a residential subdivision development on an “as vacant + zoned R1 basis”.

Rezoning and development with a single family dwelling is deemed to be the highest and best use on an “as is” basis.

VALUATION PROCEDURE

In completing an appraisal assignment and formulating an opinion of the fair market value of a property, consideration must be given to the method of valuation. There are three traditional and relevant valuation techniques, the Cost, Income and Direct Comparison Approaches. The decision to apply any one or all of the three common valuation approaches is a function of the property type and the highest and best use.

Cost Approach

A set of procedures through which a value indication is derived for the fee simple interest in a property by estimating the current cost to construct a reproduction of (or replacement of) the existing structure, including an entrepreneurial profit, deducting depreciation from the total cost, and adding the estimated land value. Adjustments may be made to the indicated fee simple value of the Subject Property to reflect the value of the property interest being appraised.

Income Approach

A method through which an appraiser derives a value indication for an income-producing property by converting its anticipated benefits (cash flow and reversion) into property value. This conversion can be accomplished in two ways. One year's (stabilized) income expectancy can be capitalized at a market-derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value on the investment. Alternatively, the annual cash flows of the holding period and the reversion can be discounted at a specified yield rate. The Income Approach to value is utilized to estimate real estate value of income-producing or investment properties.

The Direct Capitalization Method is based on the conversion of current earnings directly into an expression of market value. The net income for the current or forthcoming fiscal year is capitalized with an overall rate, which reflects the investment characteristics offered by the asset. The capitalization rate used is based on the analysis of sales and interviews with people active in the market.

Subdivision Development Analysis is a form of the Income Approach which allows the appraiser to consider the costs and revenues associated with undertaking a complex subdivision. Furthermore, this analysis considers the time period over which development will take place, as well as how long it will take for the marketplace to absorb the finished product. Finally, factors such as construction financing and developer's profit are also taken into account.

Direct Comparison Approach (DCA)

A process in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparable sales based on the elements of comparison. The DCA may be used to value improved properties, vacant land, or land being considered as though vacant. It is most common and preferred method of land valuation when comparable sales data is available.

Method(s) Applied:

A Direct Comparison Approach has been used to estimate the Current Market Values of the subject property both on an "as is" and an "as vacant + zoned R1" basis.

The Cost Approach is not applicable in the valuation of vacant land or where improvements offer no contributory value as is the case herein. The Cost Approach has therefore not been applied.

DIRECT COMPARISON APPROACH

The Direct Comparison Approach (DCA) involves the gathering, analyzing and comparing of data on similar properties that have been sold, are listed for sale, or on which offers have been made. Inherent in this approach is the assumption that a prudent purchaser will not purchase a property at a higher price than similar properties with comparable locations and characteristics. The approach often provides good evidence of value as it represents the actions of the vendors and purchasers in the marketplace.

Within this approach, the property being valued is compared to properties that have sold recently or are currently listed for sale and are considered to be relatively similar to the Subject Property. Typically, a common unit of comparison is used to facilitate the analysis. In the case of properties similar to the subject (potential single family development lots), the sale price per square foot of land, per square foot of buildable area, or per buildable unit may be considered. Given the size of the subject property (less than one acre), the **sale price per square foot of land** area has been selected as the most appropriate unit of comparison.

In applying the DCA, the following have been considered:

- Property Rights Conveyed
- Financing Terms
- Conditions of Sale
- Market Conditions
- Location
- Physical Characteristics
- Zoning/Use
- Economic Characteristics

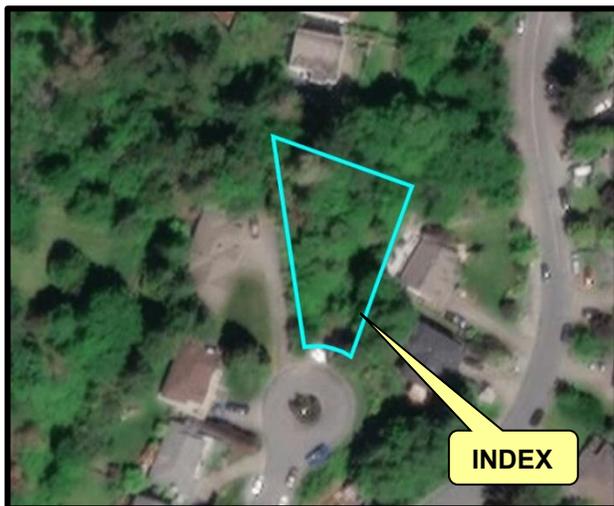
Comparable properties with land uses similar to the rezoned land use of the subject (R1) are analyzed and compared to the subject property in the section which follows.

Following is a summary of the sales considered pertinent to this valuation:

Index No. 1

Location: 676 Orca Place, Colwood
 Legal Description: Lot 8, Section 65, Esquimalt District, Plan VIP52410
 PID: 017-370-931
 Sale Price: \$240,000
 Sale Date/Title: Pending as of August 5, 2019 (MLS #407195) N/A
 Vendor/Purchaser: Confidential/Confidential
 Zoning: R1, Residential 1 Zone
 Lot Size: 11,732 sq. ft. (0.27 acres)
 Price PSF: \$20.46
 Comments:

Pie shaped, sloping lot located at the end of a cul de sac in the Triangle area of Colwood. The site is heavily treed and slopes up above street level, offering modest views to the south and east. The R1 zoning permits development with a single family dwelling to a maximum height of 27.89 feet, to a maximum FAR of 0.4:1 or a maximum floor area of 3,767 sq. ft., and to a maximum site coverage of 35%. Duplex development is permitted on lots of 11,841 sq. ft. or larger and may be to a maximum site coverage of 25%.

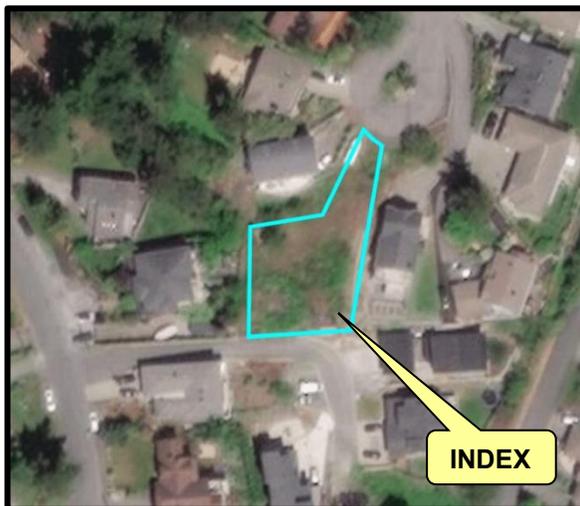




Index No. 2

Location: 3448 Karger Terrace, Colwood
 Legal Description: Lot B, Section 63, Esquimalt District, Plan VIP89234
 PID: 028-828-038
 Sale Price: \$300,000
 Sale Date/Title: February 2019 CA7370106
 Vendor/Purchaser: Confidential/Confidential
 Zoning: R1, Residential 1 Zone
 Lot Size: 10,130 sq. ft. (0.23 acres)
 Price PSF: \$29.62

Comments: Irregular pie shaped lot located at the end of a cul de sac in the Triangle area of Colwood. This site slopes steeply down below street level to the south, offering excellent ocean views. The lot has been cleared and is ready for development. The R1 zoning permits development with a single family dwelling to a maximum height of 27.89 feet, to a maximum FAR of 0.4:1 or a maximum floor area of 3,767 sq. ft., and to a maximum site coverage of 35%. Duplex development is permitted on lots of 11,841 sq. ft. or larger and may be to a maximum site coverage of 25%.





Index No. 3

Location: 661 Kelly Road, Colwood

Legal Description: Lot A, Section 69, Esquimalt District, Plan VIP14614

PID: 004-235-151

Sale Price: \$815,000

Sale Date/Title: November 2018 CA7220718

Vendor/Purchaser: Confidential/Confidential

Zoning: R1, Residential 1 Zone

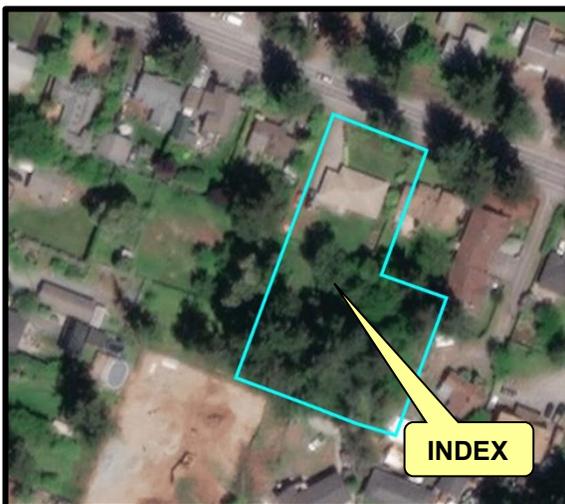
Lot Size: 35,284 sq. ft. (0.81 acres)

Estimated Improv. Value: \$140,000

Residual Land Value: \$675,000

Residual Price PSF: \$19.13

Comments: Sale of a subdividable, generally level, panhandle shaped lot located on a moderately busy street in the Hatley Park area of Colwood. The lot was improved with a 1,300 sq. ft. bungalow with undeveloped basement with **6'11" ceiling height. The improvements were built** in 1962 and are of slightly above average overall condition. The R1 zoning permits development with a single family dwelling to a maximum height of 27.89 feet, to a maximum FAR of 0.4:1 or a maximum floor area of 3,767 sq. ft., and to a maximum site coverage of 35%. Duplex development is permitted on lots of 11,841 sq. ft. or larger and may be to a maximum site coverage of 25%.



Index No. 4

Location: 3251 Clement Road, Colwood

Legal Description: Lot 11, Section 67, Esquimalt District, Plan VIP10548

PID: 005-274-001

Sale Price: \$574,900

Sale Date/Title: April 2018 CA6767708

Vendor/Purchaser: Confidential/Confidential

Zoning: R1, Residential 1 Zone

Lot Size: 18,000 sq. ft. (0.41 acres)

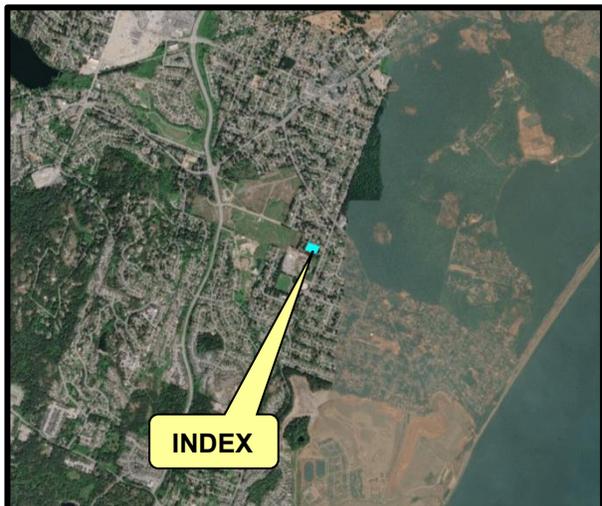
Estimated Improv. Value: \$65,000

Residual Land Value: \$510,000

Price PSF: \$31.94

Residual Price PSF: \$28.33

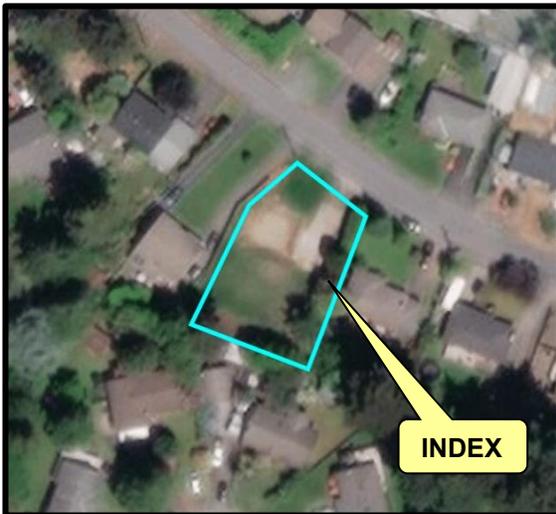
Comments: Subdividable lot improved with an 879 sq. ft. rancher which was built circa 1958 and is in fair condition. Rectangular shaped site which may be subdivided to create one panhandle lot and one rectangular lot. This is a generally level site situated on a low traffic street in the Wishart area of Colwood. The R1 zoning permits development with a single family dwelling to a maximum height of 27.89 feet, to a maximum FAR of 0.4:1 or a maximum floor area of 3,767 sq. ft., and to a maximum site coverage of 35%. Duplex development is permitted on lots of 11,841 sq. ft. or larger and may be to a maximum site coverage of 25%. *Either subdivision into two single family lots or duplex development may be carried out.*



Index No. 5

Location: 595 Ridley Drive, Colwood
 Legal Description: Lot B, Section 69, Esquimalt District, Plan VIP30379
 PID: 001-253-395
 Sale Price: \$430,000
 Sale Date/Title: November 2017 CA6479878
 Vendor/Purchaser: Confidential/Confidential
 Zoning: R1, Residential 1 Zone
 Lot Size: 11,170 sq. ft. (0.26 acres)
 Price PSF: \$38.50

Comments: Sale of a generally level and rectangular shaped site purchased for redevelopment. The lot was improved with a 2,003 sq. ft. house built circa 1929 which was in poor condition and is deemed to have offered no contributory value. Situated on a low traffic street in the Wishart area of Colwood. The R1 zoning permits development with a single family dwelling to a maximum height of 27.89 feet, to a maximum FAR of 0.4:1 or a maximum floor area of 3,767 sq. ft., and to a maximum site coverage of 35%. Duplex development is permitted on lots of 11,841 sq. ft. or larger and may be to a maximum site coverage of 25%.



Index No. 6

Location: 3415 Fulton Road, Colwood

Legal Description: Lot B, Section 73, Metchosin District, Plan VIP38960, Except Plan 47957

PID: 001-007-548

Asking Price: \$950,000

Sale Date/Title: Active Listing as of November 2018 (MLS #412113) N/A

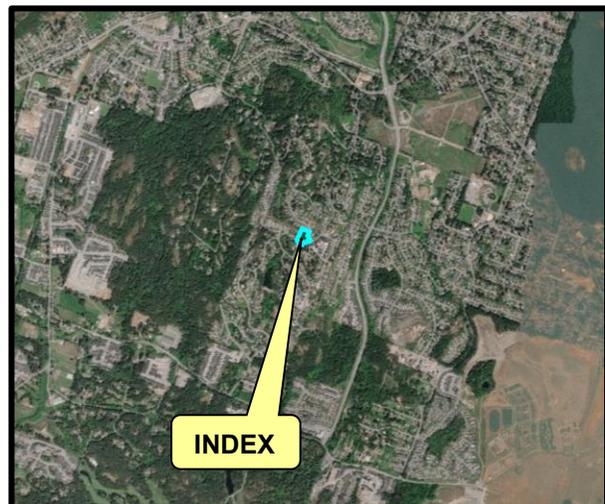
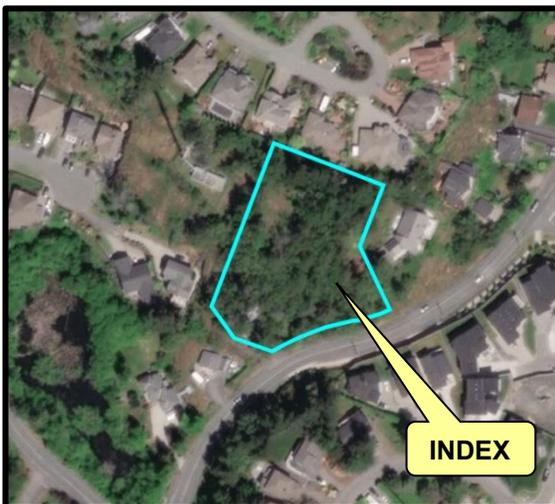
Vendor/Purchaser: Confidential/Confidential

Zoning: R1, Residential 1 Zone

Lot Size: 60,984 sq. ft. (1.40 acres)

Price PSF: \$15.58

Comments: Asking price for an irregular shaped, sloping lot located in the Triangle area of Colwood. This property offers modest views due to its hillside location including views towards downtown Victoria. Six and a half years remain on a telecom lease which generates approximately \$30,000 per year. This site is fully serviced to its boundary. This lot has rock outcroppings throughout and will require some blasting work in order to be developed. The R1 zoning permits development with a single family dwelling to a maximum height of 27.89 feet, to a maximum FAR of 0.4:1 or a maximum floor area of 3,767 sq. ft., and to a maximum site coverage of 35%. Duplex development is permitted on lots of 11,841 sq. ft. or larger and may be to a maximum site coverage of 25%.



Index No. 7

Location: 452 Pelican Drive, Colwood

Legal Description: Lot 8, Section 42, Esquimalt District, Plan VIP84204

PID: 027-355-039

Asking Price: \$349,900

Sale Date/Title: Active Listing as of July 2019 (MLS #414119) N/A

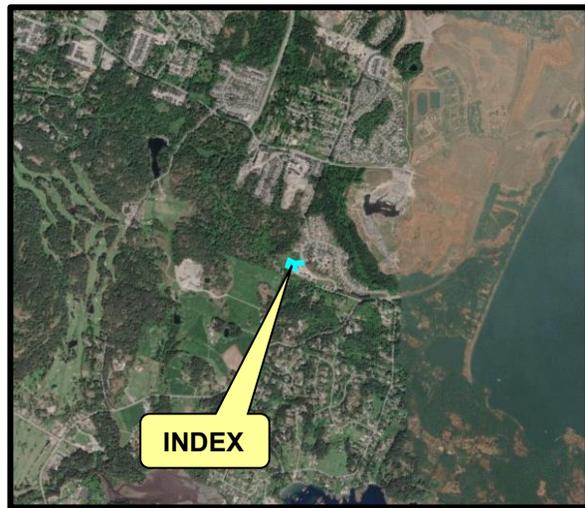
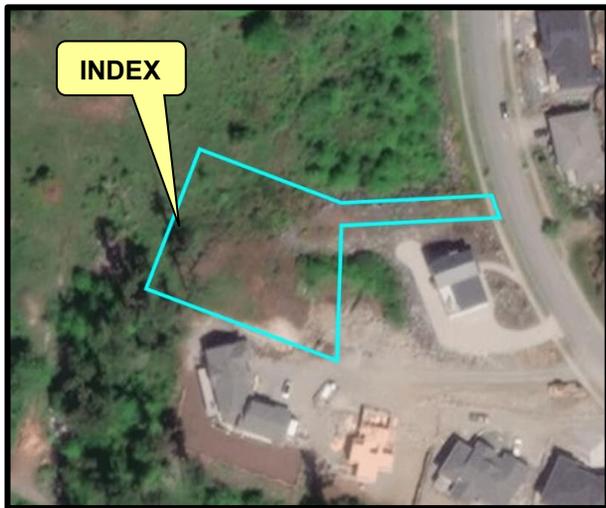
Vendor/Purchaser: Confidential/Confidential

Zoning: RBCD2 – Phase D, Royal Bay Comprehensive Development

Lot Size: 23,522 sq. ft. (0.54 acres)

Price PSF: \$14.88

Comments: Asking price for a panhandle shaped lot in the Royal Bay area of south Colwood. This property offers modest ocean and mountain views which are largely obstructed by trees to the south due to its location on the hillside. This lot has rock outcroppings throughout and will require significant blasting and clearing work in order to be developed.



SALES SUMMARY AND ANALYSIS

COMPARABLE SALES SUMMARY						
Colwood Residential Lot Sales:						
#	Location	Transfer Date	(Residual) Sale Price	Size (sq. ft.)	Lot Type	(Residual) Sale Price / sq. ft.
1	676 Orca Place, Colwood	N/A; Pending as of Aug-2019	\$240,000	11,732	Pie-shaped	\$20.46
2	3448 Karger Terrace, Colwood	Feb-2019	\$300,000	10,130	Panhandle	\$29.62
3	661 Kelly Road, Colwood	Nov-2018	\$675,000	35,284	Panhandle; Subdividable	\$19.13
4	3251 Clement Road, Colwood	Apr-2018	\$574,900	18,000	Rectangular; Subdividable	\$28.33
5	595 Ridley Drive, Colwood	Nov-2017	\$430,000	11,170	Generally Rectangular	\$38.50
6	3415 Fulton Road, Colwood	Asking	\$950,000	60,984	Irregular; Subdividable	\$15.88
7	452 Pelican Drive, Colwood	Asking	\$349,900	23,522	Panhandle	\$14.88
<i>Average</i>			\$502,829	24,403		\$23.83
<i>Median</i>			\$430,000	18,000		\$20.46
Subject	PID: 000-361-631 – Townview Terrace			17,336	Pie-Shaped	

The comparable Indices examined sold between November 2017 and August 2019 with sale prices ranging between \$240,000 and \$950,000. The lots range in size between 10,130 and 60,984 sq. ft. relative to the subject which is 17,336 sq. ft. in size. The sale and listing prices range between \$14.88 and \$38.50 PSF with an average of \$23.83 PSF and a median of \$20.46 PSF.

Due to a lack of recent sales of similar lots with public zoning and of those of a similar size, residential lots with a wide range in sizes have been used for comparison. Where appropriate, adjustments have been applied for land use and lot size among other items. A significant number of additional single family lot sales within the area have been reviewed in addition to those cited above.

Since no two properties are identical, adjustments for differences found in each are applied to the sale prices to provide a correlation of values between the comparable properties and the subject. The comparable sales selected are considered to be the most competitive or similar properties to have sold in the local market.

The adjustment narrative to follow outlines the areas of comparison considered for each Index property in relation to the subject. Categories described as similar, indicate that no adjustment was deemed necessary. “Inferior” indicates an upward adjustment is warranted, “Superior” indicates a downward adjustment is required and “Similar” denotes that no adjustment was warranted. The adjustments applied are as follows:

Real Property Rights:

The subject property rights and those of all comparable Indices, excluding Index 6, represent Fee Simple ownership. Thus, no adjustments for property rights are applied to these sales.

Index 6 represents Leased Fee ownership due to the antenna revenue being generated. The presence of a large telecom antenna on-site limits the desirability and marketability of potential subdivided lots and constrains subdivision over a portion of the site until the lease in place expires. Thus, the benefit of the revenue being generated is seen as largely offset by the preceding. Overall, a slight downward adjustment is warranted and applied to Index 6.

Terms of Financing:

All of the comparable sales were either financed at current market rates or purchased with cash/cash equivalents. Thus, adjustments for financing are not required.

Condition of Sale:

To the best of our knowledge, all of the comparable sales sold on an “arm’s length” basis without any atypical motivations, encumbrances, or restrictions in place. Thus, no adjustments for this category are warranted to any of the comparable indices.

Market Conditions/Time:

In a market with upward or downward momentum, an adjustment may be warranted to reflect the time differential between the sale of the comparable Indices in relation to the effective date of the report.

As of July 2019, the Colwood Single Family Benchmark price was down 0.9% from 3 months earlier, was virtually unchanged from 6 months earlier, and was down 1.0% from 12 months earlier. The Single Family Benchmark Price down 0.6% from 18 months earlier and up 0.8% from 24 months earlier.

Given the negligible changes in single family property values and the relatively recent sales dates of the properties examined, no adjustments for market conditions are applied herein.

Other Adjustments:

A number of factors can influence the value of single family and potential subdivision land sales such as lot size, location including locale, access, exposure and views offered, physical features such as topography, site configuration, development constraints as impacted by the preceding, land use characteristics such as zoning, and the interplay of these factors. An overview and analysis of other adjustments applied to each comparable relative to the subject property is presented as follows:

“As Is” Adjustments:

The following adjustments relate to the subject property based on its existing P3 zoning and as currently improved with a decommissioned reservoir structure and associated underground utility structure.

Intrinsic in this analysis is that rezoning of the property to a zone which permits residential development is required. Given surrounding land uses and the OCP designation, it is most likely that approval of a rezoning application to R1 would receive approval. However, time and expenses must be incurred surrounding the rezoning process. For example, Colwood’s planning department reports that a public hearing fee of \$2,200 would be incurred in addition to a rezoning application fee of \$3,400 + \$0.20/sq. m. The opportunity cost associated with the time which must be put towards the rezoning of the site should also be considered. Moreover, there is the slight risk that a rezoning application would not be approved or would be approved subject to further conditions.

Intrinsic in this analysis is also that the existing improvements would be retained. Thus, the subject would not be subdividable on an “as is” basis and the primary development area would be constrained to the east ±60% of the site (estimated based on aerial maps). The balance of the site, including the reservoir structure, could be repurposed as required.

The following adjustments are based on the aforementioned assumptions:

Index No. 1, at a sale price of \$20.46 PSF, is a much smaller lot. A significant downward size adjustment to the value rate PSF is therefore necessary. The property is similarly located in the Triangle neighbourhood of Colwood. Given its position on the hillside, views are significantly inferior to those of the subject, warranting a moderately large upward adjustment. In terms of configuration and topography, this property is similar to the subject and no further adjustments are required. The property is zoned R1 while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Overall, this property is deemed to be moderately superior to the subject and a downward adjustment is applicable.

Index No. 2, at a sale price of \$29.62 PSF, is a much smaller lot and a significant downward size adjustment is necessary, accordingly. The property is similarly located in the Triangle neighbourhood of Colwood. Given its position on the hillside, views are deemed to be excellent, superior to those of the subject. A downward adjustment for views is therefore applicable. In terms of configuration and topography, this property is roughly similar to the subject and no further adjustments are required. The property is zoned R1 while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Overall, this property is much superior to the subject and a significant downward adjustment is applied.



Index No. 3, at a residual sale price of \$19.13 PSF, is a much larger lot, warranting an upward adjustment to the value rate PSF for size. However, a downward adjustment for is warranted as a result of the subdivision potential of this Index. The property is located on a moderately busy street in the Hatley Park area of Colwood. Views at this location are inferior to those of the subject and this property experiences regular traffic exposure. While the locale is superior, this location is inferior to that of the subject overall and an upward adjustment is necessary. The north portion of this site is improved with an older house which has been accounted for in the selection of the residual sale price (relating to the land only) as the unit of comparison. Given the location of the house, the immediately developable portion of the site is landlocked in the absence of an obtrusive access easement. An upward adjustment for the preceding is warranted. In terms of configuration and topography, this site is superior, warranting a downward adjustment. The property is zoned R1 while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Overall, this property is deemed to be superior to the subject and a downward adjustment is applicable.

Index No. 4, at a residual sale price of \$28.33 PSF, is a similar size lot which can be subdivided. A downward adjustment is warranted for the ability to subdivide this site while subdivision of the subject property is not feasible on an “as is” basis given the existing reservoir improvements. The property is located on low traffic street in the Wishart area. The locale is similar to the subject and views are inferior at this location. Thus, an upward location adjustment is applicable. Given the low contributory value of the improvements, it is probable that they would be demolished and cleared in the short-term. The selection of residual sale price as the unit of comparison for this Index sufficiently accounts for the improvements and no further adjustment is required. In terms of configuration and topography, this level, rectangular site is superior to the subject, warranting a large downward adjustment. The property is zoned R1 while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Overall, this property is deemed to be superior to the subject and a significant downward adjustment is applicable.

Index No. 5, at a sale price of \$38.50 PSF, is a significantly smaller lot, warranting a significant downward size adjustment. This property has a central location in the Wishart area, in close proximity to local commercial services. However, views are inferior to those of the subject at this location. An upward location adjustment is therefore applicable. In terms of configuration and topography, this level, rectangular site is superior to the subject, warranting a large downward adjustment. The property is zoned R1 while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Overall, this property is deemed to be much superior to the subject and a significant downward adjustment is applicable.

Index No. 6, at a listing price of \$15.58 PSF, is a significantly larger lot which offers subdivision potential. A significant upward size adjustment is necessary which is partially offset by a downward adjustment required for the ability to subdivide this lot. This property is similarly located in the Triangle area with views roughly similar to those the subject as a result of the existing reservoir improvements. No location adjustment is therefore necessary. In terms of configuration, this site is sufficiently similar to the subject that no adjustments are required. The highly undulating and rocky topography will pose some development constraints. Moreover, it is probable that expensive blasting and clearing work will be required in order to develop this site. This compares with the subject which has notable development constraints unless expensive demolition and clearing work is completed. Thus, no adjustment is warranted. The property is zoned R1 while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Considering the modest downward adjustment previously applied for leased fee property rights in addition to the preceding, this Index provides a slightly high indication for the subject and an overall slight downward adjustment is applied.

Index No. 7, at a listing price of \$14.88 PSF, is a moderately larger lot which similarly does not offer subdivision potential (given its location, surrounding uses and lot sizes). A modest upward size adjustment is therefore required. This lot is located near the southwest boundary of Colwood on the fringe of undeveloped lands within the developing Royal Bay community. Views at this location are inferior to those of the subject due dense tree cover to the southeast. An upward location adjustment is thus warranted. In terms of configuration and topography, this site is sufficiently similar to the subject that no adjustments are required. The property is zoned RBCD2 – Phase D which permits low density residential development while the subject is zoned P3 and must undergo a rezoning process in order to be developed in accordance with its highest and best use. Thus, a downward adjustment to this Index for land use is required. Overall, this property is deemed similar to the subject and no overall adjustment to the listing price PSF of this Index is warranted.

“As Is” Conclusion

Caution is used when examining Indices 6 and 7 as they are currently active listings which have not yet sold. Index 5 is the most dated sale to have occurred and transferred near the peak of the market in 2017. Index 5 is given the limited weight as a result. Indices 1 to 4 range from approximately \$19.00 to \$30.00 PSF and sold between April 2018 and August 2019 (conditional sale). Indices 1 to 4 are given the greatest weight herein with consideration given to the subject’s notable development constraints as is currently improved as well as the requirement to undergo a rezoning process.

With consideration to all adjustments applied in the preceding analysis and the weighting of the various sales and listings, an appropriate value range of \$13.00 to \$17.00 PSF is concluded for the subject lot “as is”. A single point value estimate at the centre of this range has been selected and applied as follows:

$$17,336 \text{ sq. ft.} \times \$15.00 \text{ PSF} = \$260,040^{**}$$

ROUNDED \$260,000**

***NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.*

Note: As a test of the reliability of the preceding value estimate, the market value of the subject has been estimated based on 60% of the site area given the fact that the additional land would have little utility as yard area improved with a decommissioned reservoir. At 60% of the parent site, the effective site area is 10,402 sq. ft. Given the smaller lot size, a value rate at a slight premium to the \$26.00 estimated in the “as vacant + zoned R1” analysis to follow can reasonably selected. A value rate for the smaller lot of \$28.00 is selected with an applicable discount estimated at ±10% for land use. The resulting value rate is ±\$25.00. The benefit of the superior privacy of this lot and additional yard area over an above the 10,402 sq. ft. selected as the unit of comparison is viewed as generally offset by the negative externality associated with having a decommissioned reservoir on-site. Thus, no further adjustments are necessary. Applying a value rate of \$25.00 equates to a value of \$260,050 which is rounded to \$260,000, supporting the preceding estimate.

“As Vacant + Zoned R1” Adjustments:

The following adjustments relate to the subject property based on the assumption the reservoir improvements have been demolished and cleared and rezoning to R1 has been completed:

Index No. 1, at a sale price of \$20.46 PSF, is a much smaller lot which does not offer subdivision potential as does the subject. A significant downward size adjustment is necessary which is largely offset by the inability to subdivide this lot. Thus, a modest net downward size adjustment is deemed applicable. The property is similarly located in the Triangle (mountain) neighbourhood of Colwood. Given its position on the hillside, views are significantly inferior to those of the subject, warranting a large upward adjustment. In terms of configuration, topography and land use characteristics, this property is similar to the subject and no further adjustments are required. Overall, this property is deemed to be inferior to the subject and an upward adjustment is applicable.

Index No. 2, at a sale price of \$29.62 PSF, is a much smaller lot which does not offer subdivision potential as does the subject. A significant downward size adjustment is necessary which is largely offset by the inability to subdivide this lot. Thus, a modest net downward size adjustment is deemed applicable. The property is similarly located in the Triangle (mountain) neighbourhood of Colwood. Given its position on the hillside, views are deemed to be excellent, moderately superior to those of the subject. A moderate downward adjustment for views is therefore applicable. In terms of configuration, topography and land use characteristics, this property is roughly similar to the subject and no further adjustments are required. Overall, this property is deemed to be superior to the subject and a downward adjustment is applicable.

Index No. 3, at a residual sale price of \$19.13 PSF, is a much larger lot which can similarly be subdivided. A large upward adjustment to the sale price per square foot is necessary for lot size. The property is located on a moderately busy street in the Hatley Park area of Colwood. Views at this location are inferior to those of the subject and this property experiences regular traffic exposure. While the locale is superior, this location is inferior to that of the subject overall and an upward adjustment is necessary. The north portion of this site is improved with an older house which has been accounted for in the selection of the residual sale price (relating to land) as the unit of comparison. Given the location of the house, the immediately developable portion of the site is landlocked in the absence of an obtrusive access easement. An upward adjustment for the preceding is warranted. In terms of configuration and topography, this site is superior, warranting a downward adjustment. The property has similar R1 zoning and appears to have sold on the basis of its existing zoning. Thus, no adjustment for land use is warranted. Overall, this property is deemed to be inferior to the subject and an upward adjustment is applicable.

Index No. 4, at a residual sale price of \$28.33 PSF, is a similar size lot which can be subdivided as can the subject. No size adjustment is therefore necessary. The property is located on low traffic street in the Wishart area. The locale is similar to the subject and views are inferior at this location. Thus, an upward location adjustment is applicable. Given the low contributory value of the improvements, it is probable that they would be demolished and cleared in the short-term. The selection of residual sale price sufficiently accounts for the improvements and no further adjustment is required. In terms of configuration and topography, this level, rectangular site is superior to the subject, warranting a large downward adjustment. The property has similar R1 zoning and no adjustment for land use is therefore warranted. Overall, this property is deemed to be superior to the subject and a modest downward adjustment is applicable.

Index No. 5, at a sale price of \$38.50 PSF, is a significantly smaller lot which does not offer subdivision potential. A significant downward size adjustment is necessary which is partially offset by the inability to subdivide this lot. Thus, a modest net downward size adjustment is deemed applicable. This property has a central location in the Wishart area, in close proximity to local commercial services. However, views are inferior to those of the subject at this location. An upward location adjustment is therefore applicable. In terms of configuration and topography, this level, rectangular site is superior to the subject, warranting a large downward adjustment. The property has similar R1 zoning and no adjustment for land use is therefore warranted. Overall, this property is deemed to be superior to the subject and a downward adjustment is applicable.

Index No. 6, at a listing price of \$15.58 PSF, is a significantly larger lot which offers subdivision potential. A significant upward size adjustment is necessary. This property is similarly located in the Triangle area but offers inferior views due to its position on the hillside. An upward location adjustment is therefore necessary. In terms of configuration, this site is sufficiently similar to the subject that no adjustments are required. The highly undulating and rocky topography will pose some development constraints. Moreover, it is probable that expensive blasting and clearing work will be required in order to develop this site. Upward adjustments are therefore required relative to the subject which is assumed vacant and ready for development and with a more typical sloping topography. The property has similar R1 zoning and no adjustment for land use is therefore warranted. Considering the modest downward adjustment previously applied for leased fee property rights in addition to the preceding, an overall significant upward adjustment to the listing price PSF of this Index is necessary.

Index No. 7, at a listing price of \$14.88 PSF, is a moderately larger lot which does not offer realistic subdivision potential given its location, surrounding uses and lot sizes. An upward size adjustment to the value rate PSF is therefore required. This lot is located near the southwest boundary of Colwood on the fringe of undeveloped lands within the developing Royal Bay community. Views at this location are much inferior to those of the subject. A large upward location adjustment is warranted. In terms of configuration and topography, this site is sufficiently similar to the subject that no adjustments are required. The property has a similar single family land use based on its RBCD2 – Phase D zoning and no adjustment for land use is warranted. Overall, this property is deemed inferior to the subject and a significant upward adjustment to the listing price PSF of this Index is warranted.

“As Vacant + Zoned R1” Conclusion

Indices 6 and 7 are given the least weight as they are currently active listings which have not yet sold. Index 5 is the most dated sale to have occurred and transferred near the peak of the market in 2017. Index 5 is given the second least weight as a result. Indices 1 to 4 range from approximately \$19.00 to \$30.00 PSF and sold between April 2018 and August 2019 (conditional sale). Indices 1 to 4 are given the greatest weight herein.

With consideration to all adjustments applied in the preceding analysis and the weighting of the various sales and listings, an appropriate value range of \$24.00 to \$28.00 PSF is concluded for the subject lot “as vacant + zoned R1”. A single point value estimate at the centre of this range has been selected and applied as follows:

$$17,336 \text{ sq. ft.} \times \$26.00 \text{ PSF} = \$450,736^{**}$$

ROUNDED \$450,000**

***NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.*



SUMMARY AND FINAL ESTIMATE OF VALUE

The Direct Comparison Approach utilized in this appraisal has resulted in the following estimates of the subject property’s Current Market Values as of the effective date of July 24, 2019:

Current Market Value “As Is”:	\$260,000**
Current Market Value “As Vacant + Zoned R1”:	\$450,000**

** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.

Conclusion

It is my considered opinion that, *subject to the assumptions and limiting conditions contained within this report*, the Current Market Values of the subject property as of the effective valuation date of July 24, 2019, are estimated to be:

Current Market Value “As Is”:	\$260,000**
Current Market Value “As Vacant + Zoned R1”:	\$450,000**

** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.

EXPOSURE TIME

Exposure time is the estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at market value on the effective date of the appraisal. It is always presumed to have preceded the effective date of the appraisal and is representative of a reasonable exposure time. The overall concept of a reasonable exposure time also assumes adequate, sufficient and reasonable marketing effort.

Demand for single family development lots at a lower price point currently remains at a healthy level from a long-term historical perspective. Considering current market conditions, I estimate a reasonable exposure time of approximately three (3) to six (6) months *at an appropriate listing price* prior to a sale of the subject property “as is” at the appraised value. I estimate a reasonable exposure time of approximately two (2) to four (4) months *at an appropriate listing price* prior to a sale of the subject property “as vacant + zoned R1” at the appraised value.

APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief that:

- 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, impartial and unbiased professional analyses, opinions and conclusions;
- I have no present or prospective interest in the property that is the subject of this report, and no personal interest with respect to the parties involved;
- I am not in a conflict of interest to undertake this assignment;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate(s), or a conclusion favouring the client;
- My analyses, opinions, and conclusions were developed, and this report has been prepared in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (2018 Edition);
- I have the knowledge, skills and experience to complete the assignment competently;
- No one provided significant professional assistance or third party professional assistance to the person signing this report;
- As of the date of this report, the undersigned has fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program for Members;
- The undersigned is a member in good standing of the Appraisal Institute of Canada;
- Liam Fast, B.Comm., AACI, P.App, personally inspected the subject property as described more fully in the Executive Summary on page 1, on July 24, 2019;
- Liam Fast, B.Comm., AACI, P.App, having prepared this report independently, agrees to be bound by the appraiser's certification and is taking full responsibility for the appraisal and the appraisal report;
- Based upon the data, analyses and conclusions contained herein, the Current Market Values of the Fee Simple interests in the subject property described, *subject to the Assumptions and Limiting Conditions detailed in this report*, as of July 24, 2019, are as follows:

Current Market Value "As Is":	\$260,000**
Current Market Value "As Vacant + Zoned R1":	\$450,000**

** NOTE: THE VALUE ESTIMATES CONTAINED HEREIN ARE CONTINGENT UPON AND SUBJECT TO THE EXTRAORDINARY ASSUMPTIONS AND HYPOTHETICAL CONDITIONS AS DESCRIBED IN THIS REPORT.

As of this 28th day of August, 2019

PER:

Appraiser



Liam Fast, B.Comm., AACI, P.App
AIC Membership #: 907600
Digital Signature Security: Microsoft

NOTE: For this appraisal to be valid, an original or a password protected digital signature is required.



ADDENDA

Ordinary Assumptions and Limiting Conditions

Title Search Prints

Zoning Extract

ORDINARY ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (“CUSPAP”) and the following conditions:

1. This report is prepared only for the client and authorized users specifically identified in this report and only for the specific use identified herein. No other person may rely on this report or any part of this report without first obtaining consent from the client and written authorization from the authors. Liability is expressly denied to any other person and, accordingly, no responsibility is accepted for any damage suffered by any other person as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any use not specifically identified in this report. Payment of the appraisal fee has no effect on liability. Reliance on this report without authorization or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly and, on occasion, without warning, this report cannot be relied upon as of any date other than the effective date specified in this report unless specifically authorized by the author(s).
3. The author will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. The property is appraised on the basis of it being under responsible ownership. No registry office search has been performed and the author assumes that the title is good and marketable and free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property’s owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.

4. Verification of compliance with governmental regulations, bylaws or statutes is outside the scope of work and expertise of the appraiser. Any information provided by the appraiser is for informational purposes only and any reliance is unreasonable. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions and is included only to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
6. This report is completed on the basis that testimony or appearance in court concerning this report is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to: adequate time to review the report and related data, and the provision of appropriate compensation.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to: its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the subject property or of/on a neighbouring property that could affect the value of the subject property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

8. The author is not qualified to comment on detrimental environmental, chemical or biological conditions 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 which may include but are not limited to moulds and mildews or the conditions that may give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report. It is an assumption of this report that the property complies with all regulatory requirements concerning environmental, chemical and biological matters, and it is assumed that the property is free of any detrimental environmental, chemical legal and biological conditions that may affect the market value of the property appraised. If the party relying on this report requires information about or an assessment of detrimental environmental, chemical or biological conditions that may affect the value conclusion herein, that party is advised to retain an expert qualified in such matters. The author expressly denies any legal liability related to the effect of detrimental environmental, chemical or biological matters on the market value of the property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify client-supplied information, which the author believed to be correct.
10. The term “inspection” refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.
11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date , nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the author.

12. The contents of this report are confidential and will not be disclosed by the author(s) to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
14. This report, its content and all attachments/addendums and their content are the property of the author. The client, authorized users and any appraisal facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the author can be reasonably relied upon.

16. Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending, underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

TITLE SEARCH PRINTS

TITLE SEARCH PRINT		2019-07-25, 11:01:21
File Reference: lms953		Requestor: Scott Humphreys
CURRENT INFORMATION ONLY - NO CANCELLED INFORMATION SHOWN		
Land Title District Land Title Office	VICTORIA VICTORIA	
Title Number From Title Number	EL107285 K43255	
Application Received	1997-09-16	
Application Entered	1998-01-15	
Registered Owner in Fee Simple Registered Owner/Mailing Address:	CAPITAL REGIONAL DISTRICT P.O. BOX 1000, 524 YATES STREET, VICTORIA, BC V8W 2S6.	
Taxation Authority	Colwood, City of	
Description of Land Parcel Identifier: Legal Description:	000-361-631 LOT A, SECTION 64, ESQUIMALT DISTRICT, PLAN 35663	
Legal Notations	THIS TITLE MAY BE AFFECTED BY A PERMIT UNDER PART 29 OF THE MUNICIPAL ACT, SEE EH14810	
Charges, Liens and Interests	NONE	
Duplicate Indefeasible Title	NONE OUTSTANDING	
Transfers	NONE	
Pending Applications	NONE	
Title Number: EL107285	TITLE SEARCH PRINT	Page 1 of 1



ZONING EXTRACT

SECTION 9.3 PUBLIC UTILITY (P3) ZONE

9.3.01 Permitted Uses

In addition to the uses permitted by Section 2.1.10 of this Bylaw, the following uses and no others shall be permitted in the Public Utility (P3) Zone:

1. Public Utility Use; and
2. Accessory Buildings and Structures.

9.3.02 Height of Buildings

The height of a building shall not exceed 5.5 m.

9.3.03 Yard Requirements

- 1) A front yard shall be provided of not less than 7.5 m in depth.
- 2)
 - a. Side yards shall be provided of not less than 6 m in width; and
 - b. On a corner lot a side yard of not less than 7.5 m in width shall be provided adjoining the flanking street.
- 3) A rear yard shall be provided of not less than 10 m in depth.

9.3.4 Lot Coverage

The maximum lot coverage shall be 40 percent of the lot.

9.3.05 Landscaping and Screening

1. All portions of the lot not covered by buildings, structures and parking areas shall be landscaped and maintained in a neat and tidy manner.
2. Any parking area shall be separated from an adjoining highway or a Residential Zone, Multiple Family residential Zone or Institutional Zone by a landscaped strip not less than 3m in width.

9.3.06 Subdivision Requirements

1. The minimum lot area that may be created by subdivision shall be 1600 m².
2. The minimum highway frontage and lot width that may be created by subdivision shall be 16 m.
3. Panhandle lots may be created under Section 994 of the *Municipal Act*.



9.3.07 General

The relevant provisions of Division 2 of this Bylaw shall apply.

Co
14

SECTION 5.6 RESIDENTIAL 1 (R1) ZONE

5.6.01 Permitted Uses

In addition to the uses permitted by Section 2.1.10 of this Bylaw, the following uses and no others shall be permitted in the Residential 1 (R1) Zone:

1. One-family dwelling and two-family dwelling;
2. Group Home Use;
3. Home occupation;
4. Not more than 2 boarders or lodgers in a dwelling unit provided that no Dwelling Unit shall be occupied by more than four unrelated persons;
5. Accessory buildings and structures;
6. Secondary suite;
7. Accessory dwelling unit and
8. Show homes;

5.6.01A 641 Latoria Road and 579 Bunker Road

1. On land legally described as Lot 2, Sections 60 and 61, Esquimalt District, Plan 9849 (641 Latoria Road) the number of dwelling units in all one-family dwelling and two-family dwelling units combined shall not exceed two.
2. On land legally described as Lot A, Section 61, Esquimalt District, Plan 35943 (579 Bunker Road) the number of dwelling units in all one-family dwelling and two-family dwelling units combined shall not exceed two.
3. Despite the restrictions in Subsection 5.6.01A(1) the density of development permitted by Section 5.6.08 is permitted on the land referred to in Subsections 5.6.01A(1) and 5.6.01A(2) if the Owner provides community amenities:
 - a) by contributing to a community amenity reserve fund of the City \$2,500 per dwelling unit and for this purpose "community amenity" means land for parks or playing fields or for community building use and the construction of community buildings such as a community centre, youth centre, theatre, recreational buildings and facilities, and assembly and meeting space; and
 - b) by contributing to an affordable housing reserve fund of the City \$500 per dwelling unit.
4. Payment shall be made at the time of subdivision approval, on the basis of the maximum number of dwelling units that are permitted by Subsection 5.6.08 on each parcel being created given the area of that parcel."

5.6.01B 544 Windthrop Road

On land legally described as That part of Lot 6, Section 62, Esquimalt District, Plan 10219, Lying to the North West of a straight boundary joining points on the North



Easterly and South Westerly boundaries of said lot distant respectively 200.39 feet and 200.39 feet from the most Northerly and Westerly corners of said lot. To which parcel of land the registrar hereby assigns the distinguishing letter A (544 Windthrop Road):

1. two-family dwellings are not permitted;
2. the number of dwellings units shall not exceed one;
3. despite Subsection 2), the density of development permitted by Section 5.6.08 is permitted if the Owner contributes to a community amenity reserve fund of the City at the time of subdivision approval, \$2,500 per dwelling unit in excess of one unit that is permitted on the subdivided land by this Bylaw; and
4. the number of dwelling units on the subdivided land shall not exceed five.

Com
Sep

5.6.02 Number of Residential Buildings

There shall be not more than one one-family dwelling or one two-family dwelling on a lot.

5.6.03 Minimum Lot Area for a Two-family Dwelling

The minimum lot area required for a two-family dwelling shall be 1,100 m².

5.6.04 Location of Two-family Dwellings

1. A two-family dwelling shall not be located on a panhandle lot.
2. A two-family dwelling shall not be located on a lot with a front lot line of less than 25 m.

5.6.05 Size and Shape of Buildings

1. The minimum ground floor area of a dwelling unit shall be 80 m².
2. The minimum average width of a dwelling unit shall be not less than 7 m.
3. The height of a building shall not exceed 8.5 m.
4. The floor area ratio of a residential building shall not exceed 0.4.
5. Notwithstanding Subsection (4), the maximum gross floor area of a residential building shall not exceed 350 m².
6. Notwithstanding Subsection (5.6.05(4)), the maximum floor space ratio of a residential building on Strata Lot 2, Section 4, Esquimalt District, Strata Plan VIS4693 (85 Milburn Drive) shall not exceed 0.47.

5.6.06 Yard Requirements

1. A front yard shall be provided of not less than 7.5m in depth.

BYLAW NO. 151 (COLWOOD LAND USE BYLAW, 1989) ***CONSOLIDATED VERSION*** PAGE #70



2.
 - a) Side yards shall be provided of not less than 1.5 m in width and the sum of the two side yards shall not be less than 4.5 m, provided, however, that:
 - i. where the residential building on the lot has a gross floor area of 280 m² or more, side yards shall be provided of not less than 3 m in width except that a permit may be issued increasing the gross floor area of the building to 280 m² or more notwithstanding that the building to which the addition is being made is sited less than 3 m from the side lot line, if every part of the building addition is sited at least 3 m from the side lot line.
 - ii. side yards of not less than 3 m in width shall be provided for a two-family dwelling use;
 - iii. side yards of not less than 3 m in width shall be provided for a dwelling unit on a panhandle lot.
 - b) On a corner lot, a side yard of not less than 6 m in width shall be provided adjoining a flanking street.
3. A rear yard shall be provided of not less than 7.5 m in depth.
4. Notwithstanding Subsections 5.6.06(1) and 5.6.06(3), on any lot created by a subdivision in accordance with s 5.6.08(8), a front yard shall be provided of not less than 4.5 m in depth, and a rear yard shall be provided of not less than 5.5m in depth, but where a garage face is located in a front yard the minimum setback shall be 5.8m.

Com
Feb.

5.6.07 Lot Coverage

1. The maximum lot coverage for a one-family dwelling use shall be 35 percent of the lot.
2. The maximum lot coverage for a two-family dwelling use shall be 25 percent of the lot.

5.6.08 Subdivision Requirements

1. The minimum lot area that may be created by subdivision under the *Land Title Act* or *Condominium Act* shall be 695 m².
2. The minimum lot area that may be created by subdivision under the *Land Title Act* or the *Condominium Act* for a two-family dwelling use shall be 1,100 m².
3. The minimum highway frontage and lot width that may be created by subdivision under the *Land Title Act* or the *Condominium Act* shall be 16 m.



- 4. The minimum highway frontage and lot width that may be created by subdivision under the *Land Title Act* or the *Condominium Act* for a two-family dwelling use shall be 25 m.
- 5. Panhandle lots may be created under Section 994 of the *Municipal Act*.
- 6. Notwithstanding Subsection 5.6.09(1), the minimum lot area of a panhandle lot that may be created by subdivision under the *Land Title Act* or *Condominium Act* shall be 900 m².
- 7. Notwithstanding Subsection 5.6.08(1) and 5.6.08(3), the minimum lot area that may be created by subdivision is 408m² and the minimum frontage and lot width that may be created by subdivision is 12.8m on Strata Lots 1 and 2 together with Common Property of Section 4, Esquimalt District, Strata Plan VIS4693 (Milburn Drive).
- 8. Despite section 5.6.08(1), in relation to the property located at 291 Portsmouth Road and legally described as Lot B, Section 14, Esquimalt District, Plan VIP78446 the minimum lot area that maybe be created by subdivision is 475 square metres if before subdividing land to create any lot having an area less than 695 square metres the owner contributes \$2,500 to a community amenity reserve fund and \$2,500 to an affordable housing reserve fund.
- 9. Despite section 5.6.08(1), in relation to the property located at 3340 Anchorage Avenue and legally described as Lot 6, Section 7, Esquimalt District, Plan 9861 the minimum lot area that may be created by subdivision is 662 square metres if before subdividing land to create any lot having an area less than 695 square metres the owner contributes \$2,500 to the Community Amenity Reserve Fund and \$500 to the Affordable Housing Reserve Fund.

Co
2.3

Co
Feb

Co
Oct

5.6.09 General

The relevant provisions of Division 2 of this Bylaw shall apply.



Making a difference...together

CAPITAL REGIONAL DISTRICT REGIONAL WATER SUPPLY COMMISSION
Wednesday, February 19, 2020 at 11:30 AM

MEETING HOTSHEET
(ACTION LIST)

The following is a quick snapshot of the FINAL Regional Water Supply Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

2. Election of Chair – Commissioner Mersereau by acclamation

3. Election of Vice Chair – Commissioner Baird by acclamation

6. Adoption of the Minutes

That the minutes of the November 20, 2019 Regional Water Supply Commission meeting be adopted.

CARRIED

11. Commission Business

11.1. EEP 20-04 Cross Connection Control Bylaw No. 3516 – Amendment

The Regional Water Supply Commission recommends to the Capital Regional District Board:

1. That CRD Bylaw No. 4340, "Capital Regional District Cross Connection Control Bylaw No.1, 2008, Amendment Bylaw No. 2, 2019" be introduced and read a first, second time and third time; and
2. That Bylaw No. 4340 be adopted.
3. That CRD Bylaw No. 4343, "Capital Regional District Ticket Information Authorization Bylaw 1990, Amendment Bylaw No. 67, 2016", be introduced and read a first, second time and third time; and
4. That Bylaw No. 4343 be adopted.

CARRIED

11.2. EEP 20-02 Water Quality Summary Report for Greater Victoria Drinking Water System – June to November 2019

The Regional Water Supply Commission receives the Water Quality Summary Report for the Greater Victoria Drinking Water System – June to November 2019 for information.

CARRIED

11.3. RWSC 20-01 Mining Access Requests

That the Regional Water Supply Commission:

Authorize access and special use to the mining tenure holders and their agents (where agency is confirmed) and workers (that hold valid free mining certificates) that meet Capital Regional District insurance requirements, as listed in Tables 1 and 2, subject to the conditions of their Access Agreement, for the valid mining tenures they hold.

CARRIED

11.4. EEP 20-06 Revisions to the Uni-Directional Water Distribution Main Flushing Program Schedule

The Regional Water Supply Commission endorses the practice of water distribution system uni-directional flushing within the period of September 1 to June 30, and directs staff to advise municipal water distributors accordingly.

CARRIED

11.5. Summary of Recommendations from Other Water Commissions

That the Summary of Recommendations from Other Water Commissions be received for information.

CARRIED

11.6. Water Watch Report

That the February 10, 2020 Water Watch report be received for information.

CARRIED

12. Notice of Motion – Commissioner Loveday

That the Regional Water Supply Commission recommend to the CRD Board to direct staff to engage local First Nations and report back with options for:

1. Representation from local First Nations on the Regional Water Supply Commission.
2. Honoraria for First Nations representatives serving on the CRD Water Advisory Committee.



Making a difference...together

**CAPITAL REGIONAL DISTRICT
SAANICH PENINSULA WATER COMMISSION
Thursday, January 16, 2020**

**MEETING HOTSHEET
(ACTION LIST)**

The following is a quick snapshot of the FINAL Saanich Peninsula Water Commission decisions made at the meeting. The minutes will represent the official record of the meeting.

- 3. **ELECTION OF CHAIR – Commissioner Wainright by acclamation**
- 4. **ELECTION OF VICE CHAIR – Commissioner Barnhart by acclamation**
- 6. **ADOPTION OF MINUTES**

That the minutes of the October 17, 2019 Saanich Peninsula Water Commission meeting be adopted.

CARRIED

9. COMMISSION BUSINESS

9.1. SUMMARY OF RECOMMENDATIONS FROM OTHER WATER COMMISSIONS

That the Summary of Recommendations from Other Water Commissions be received for information.

CARRIED

9.2. WATER WATCH

That the January 5, 2020 Water Watch Report be received for information.

CARRIED

CAPITAL REGIONAL DISTRICT - INTEGRATED WATER SERVICES

Water Watch

Issued February 24, 2020

Water Supply System Summary:

1. Useable Volume in Storage:

Reservoir	February 29 5 Year Ave		February 28/19		February 23/20		% Existing Full Storage
	ML	MIG	ML	MIG	ML	MIG	
Sooke	92,688	20,391	92,530	20,357	92,727	20,400	100.0%
Goldstream	8,133	1,789	6,330	1,393	7,605	1,673	76.7%
Total	100,821	22,181	98,860	21,749	100,332	22,073	97.8%

2. Average Daily Demand:

For the month of February	100.3 MLD	22.06 MIGD
For week ending February 23, 2020	100.9 MLD	22.20 MIGD
Max. day February 2020, to date:	107.7 MLD	23.70 MIGD

3. Average 5 Year Daily Demand for February

Average (2015 - 2019)	97.1 MLD ¹	21.35 MIGD ²
-----------------------	-----------------------	-------------------------

¹MLD = Million Litres Per Day ²MIGD = Million Imperial Gallons Per Day

4. Rainfall February:

Average (1914 - 2019):	192.2 mm
Actual Rainfall to Date	172.6 mm (90% of monthly average)

5. Rainfall: Sep 1- Feb 23

Average (1914 - 2019):	1,221.0 mm
2019/2020	1,387.2 mm (114% of average)

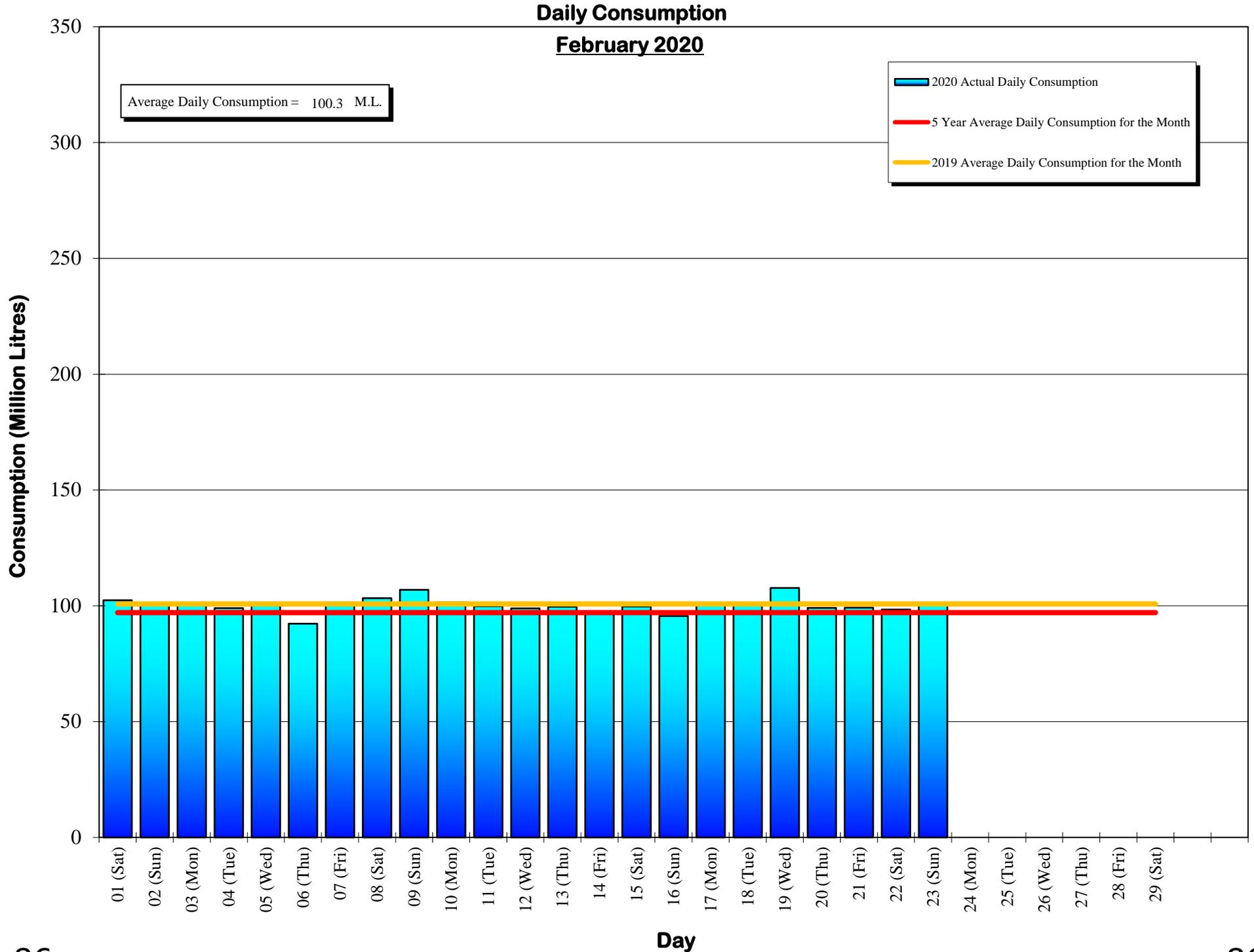
6. Water Conservation Action Required:

If each of us saves a little, together we can save a lot.
Check our website at www.crd.bc.ca/water for more information.

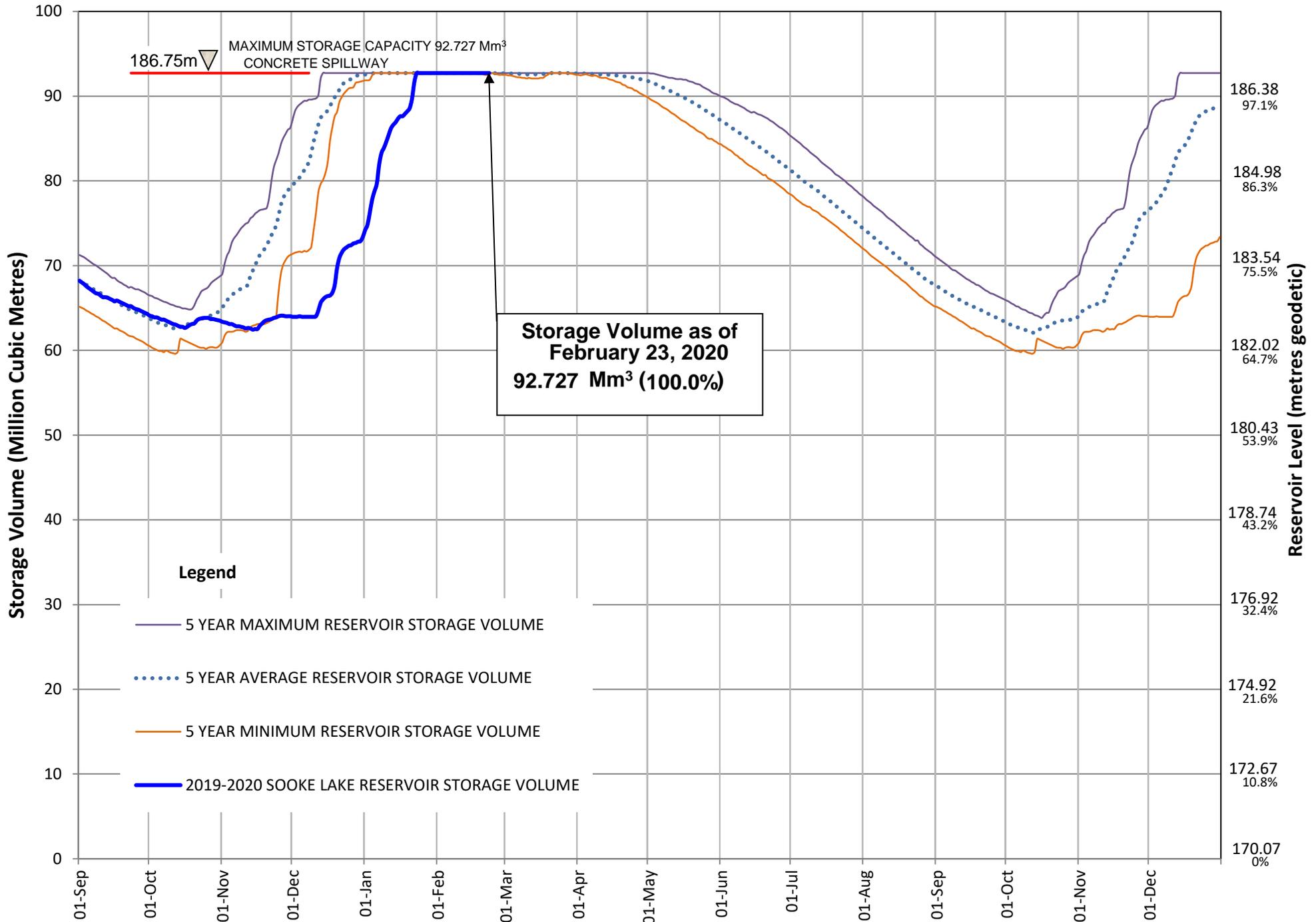
If you require further information, please contact:

Ted Robbins, B.Sc., C.Tech
General Manager, CRD - Integrated Water Services
or
Glenn Harris, Ph D., RPBio
Senior Manager - Environmental Protection

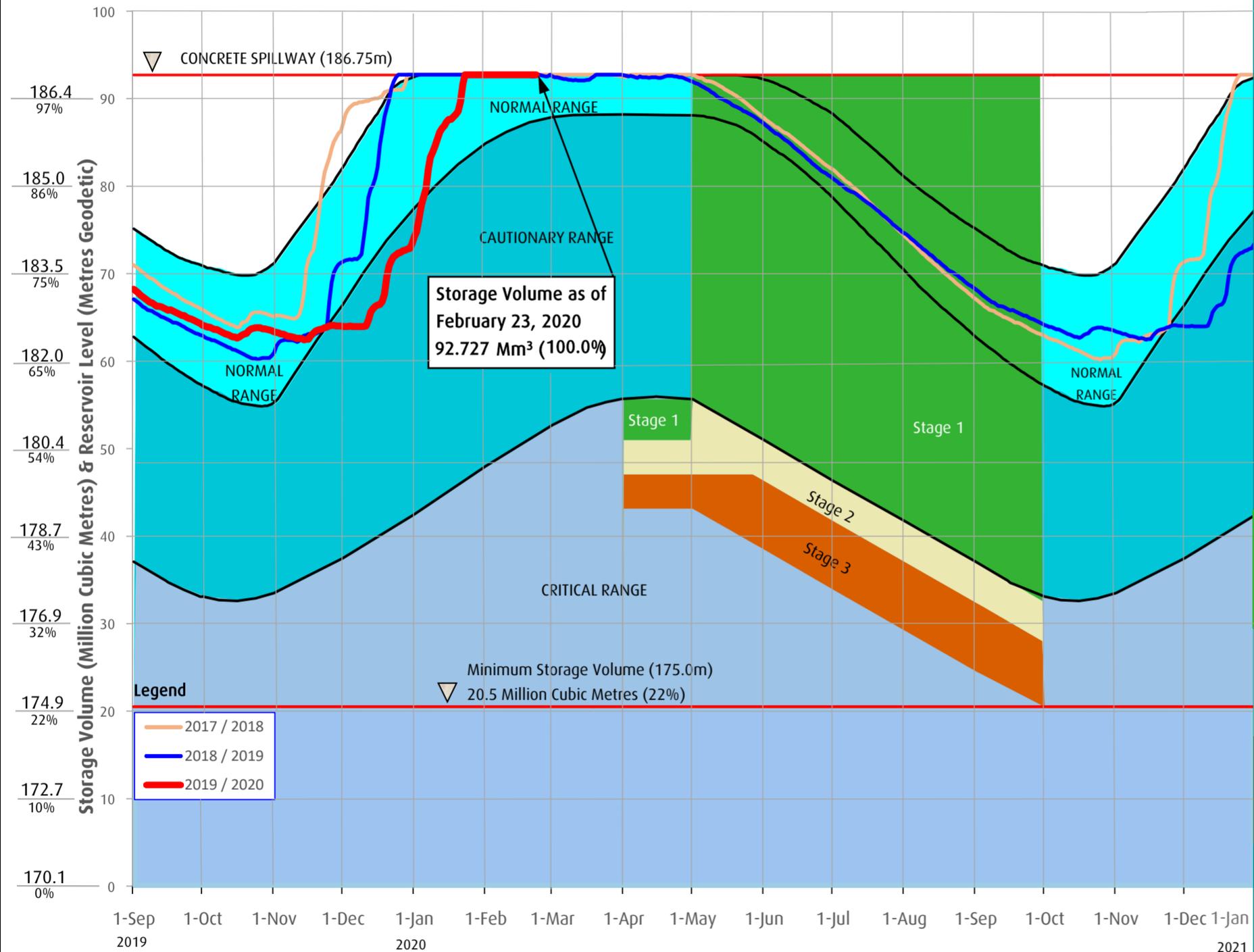
Capital Regional District Integrated Water Services
479 Island Highway
Victoria, BC V9B 1H7
(250) 474-9600



SOOKE LAKE RESERVOIR STORAGE SUMMARY 2019 / 2020



Sooke Lake Reservoir Storage Level Water Supply Management Plan



FAQs

How are water restriction stages determined?

Several factors are considered when determining water use restriction stages, including,

1. Time of year and typical seasonal water demand trends;
2. Precipitation and temperature conditions and forecasts;
3. Storage levels and storage volumes of water reservoirs (Sooke Lake Reservoir and the Goldstream Reservoirs) and draw down rates;
4. Stream flows and inflows into Sooke Lake Reservoir;
5. Water usage, recent consumption and trends; and customer compliance with restriction;
6. Water supply system performance.

The Regional Water Supply Commission will consider the above factors in making a determination to implement stage 2 or 3 restrictions, under the Water Conservation Bylaw.

At any time of the year and regardless of the water use restriction storage, customers are encouraged to limit discretionary water use in order to maximize the amount of water in the Regional Water Supply System Reservoirs available for nondiscretionary potable water use.

Stage 1 is normally initiated every year from May 1 to September 30 to manage outdoor use during the summer months. During this time, lawn watering is permitted twice a week at different times for even and odd numbered addresses.

Stage 2 is initiated when it is determined that there is an acute water supply shortage. During this time, lawn water is permitted once a week at different times for even and odd numbered addresses.

Stage 3 is initiated when it is determined that there is a severe water supply shortage. During this time, lawn watering is not permitted. Other outdoor water use activities are restricted as well.

For more information, visit www.crd.bc.ca/drinkingwater





Useable Reservoir Volumes in Storage for February 23, 2020

