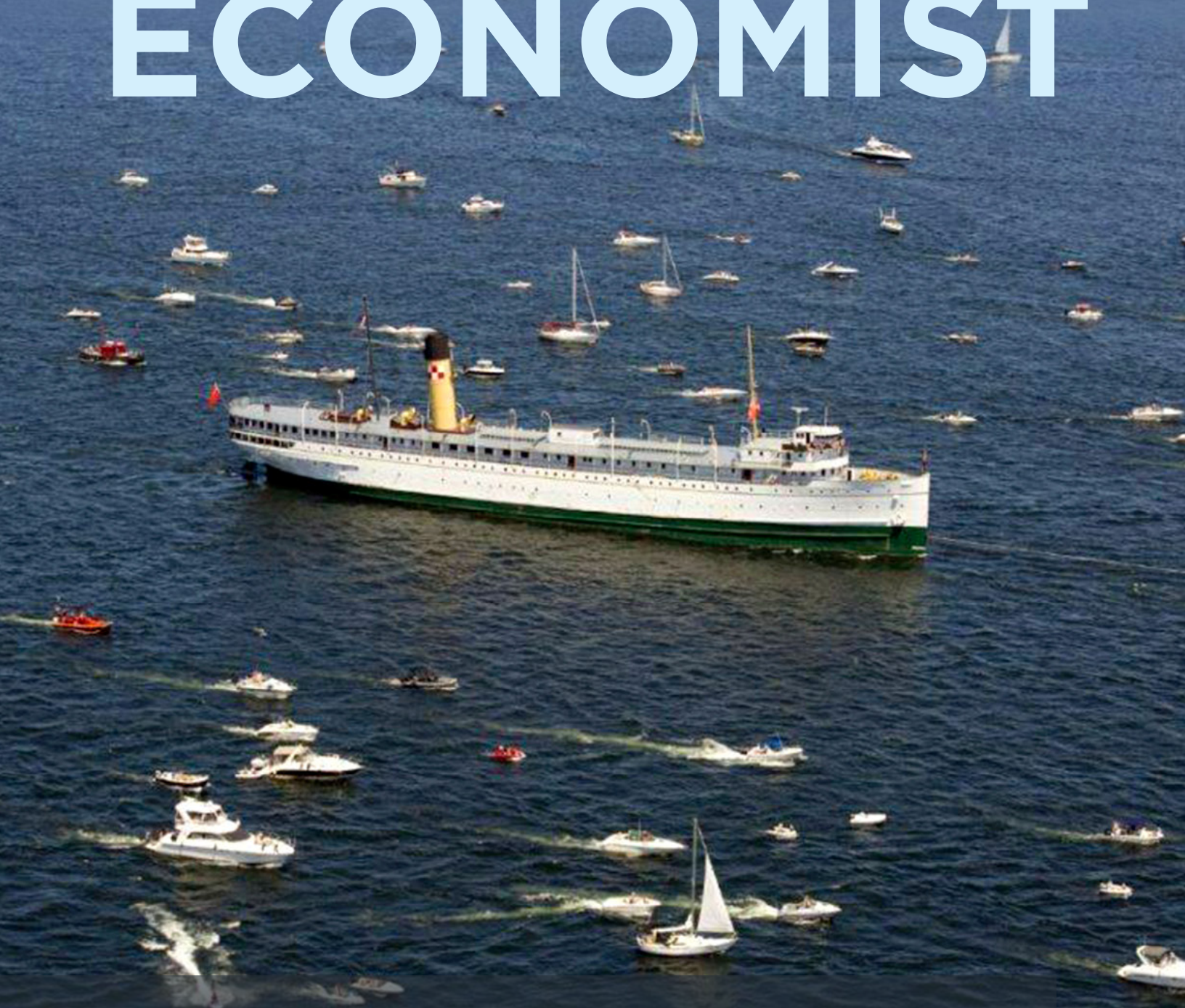




THE LAND ECONOMIST



**Canada's First Museum of Water
Coming to Port McNicoll**



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The Association of Ontario Land Economists ([AOLE](#)) was founded in 1963 and was officially incorporated in 1964. Its name reflects a long-standing position as the only body in Ontario open to all qualified professionals who work in the field of land economics. Since its incorporation, each full voting member has been known as an Ontario Professional Land Economist, with the right to use the letters PLE in their title.

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PROFESSIONAL JOURNAL



ASSOCIATION
OF ONTARIO
LAND ECONOMISTS

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AOLE

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- Plus all of our regular featureurs.



Kingston's New \$ 180 Million Bridge over the Cataraqui River

By Pat Brennan

Waaban Crossing (3rd Crossing)

KINGSTON - The lift bridge carrying Highway 2 across the Rideau Canal in the heart of this town is more than 100 years old.

For 50 years city officials have worried about the traffic headaches that would result if the old bridge couldn't get it up anymore.

That concern will ease on New Year's Day when the first vehicle is expected to roll across a new \$180 million 3rd Crossing – one of the longest bridges ever built in Ontario.

The new bridge will stretch 1.2 kilometres across the Cataraqui River, which includes the Rideau Canal, a world heritage site. It will include a four-metre-wide bicycle and pedestrian lane separated from road traffic.



LaSalle Causeway across the Cataraqui River in Kingston along Highway 2

Because of the width of the river just before it flows into Lake Ontario Mark Van Buren had a problem getting construction underway. How can he get heavy equipment like bulldozers and heavy lift cranes out onto the river to do their work?

“The river is only 6 or 7 feet deep – too shallow for construction barges,” said Van Buren, Kingston’s deputy commissioner of its Major Projects Office.

“So, we decided to build a temporary rock causeway across the river and run the equipment out on that.

“When the bridge opens we’ll remove the causeway.” The causeway has a unique lift bridge in it to allow vessels to navigate the Rideau.



Waaban Crossing (3rd Crossing)



Waaban Crossing (3rd Crossing)

Another bridge 2.5 miles further upstream carries Highway 401 across the Cataraqui River and underwent a \$27 million renovation between 2017 and 2020 when expanded to six lanes from four. It carries more than 49,000 vehicles each day.

Van Buren said drills had to penetrate 50 metres of clay on the river bed to reach bedrock to support the bridge pillars. Ninety six concrete girders, each 187 feet long and weighing 185,000 pounds, were transported to the construction site on escorted trucks with 50 tires. The girders are manufactured by DeCast in Essa Township near Barrie.

[DeCast](#) is owned by the DeGasperi family of [TACC Construction](#).

Van Buren said the girders were likely the heaviest concrete girders moved on an Ontario highway.

More than 3,000 tons of steel girders were used to build the highest elevation of the bridge over the Rideau Canal channel. The steel comes from [Walters Group](#) in Hamilton.

Walters is also supplying the steel framing for Canada’s tallest building – the 81-storey condominium called [The One](#) on the



George Brown College mass timber tower

southwest corner of Yonge & Bloor Streets. Walters also bought a 50 per cent interest in [Structure Fusion](#), a mass timber producer near Quebec City.

Walters will supply the mass timber to be used in the construction of a 10-storey mass timber building on the Toronto waterfront for George Brown College. It'll be the first mass timber high rise in Ontario.

Engineer Joseph Strauss designed and built the Strauss trunnion bascule lift bridge on the LaSalle Causeway (Highway 2) in Kingston in 1917. Twenty years later Strauss designed the Golden Gate Bridge in San Francisco.

Strauss also designed the Cherry Street lift bridge in Toronto's port lands. It first opened in 1930.

Kingston City Council has chosen a new name for the city's third crossing over the Cataraqui River and Rideau Canal. They chose Waaban, an Ojibway word. Waaban has several meanings and interpretations related to where the sun rises in the east. Some of those meanings include the dawn of a new day or the morning light.

It scored highest in a public survey from a short list of six Indigenous names. The \$180 million bridge is expected to open for traffic on New Year's Day.



George Brown College mass timber

[Kiewit Corporation](#) is the general contractor on the bridge which was designed by [Hatch & Systra](#). The project is the first IPD (Integrated Project Delivery) in North America. That's where the owner, the designer and the contractor are joint participants in the project. Because Kingston had been debating the prospect of a third crossing for the city for nearly 50 years, it had already sought the approval of other jurisdictions involved with the river, said Van Buren.

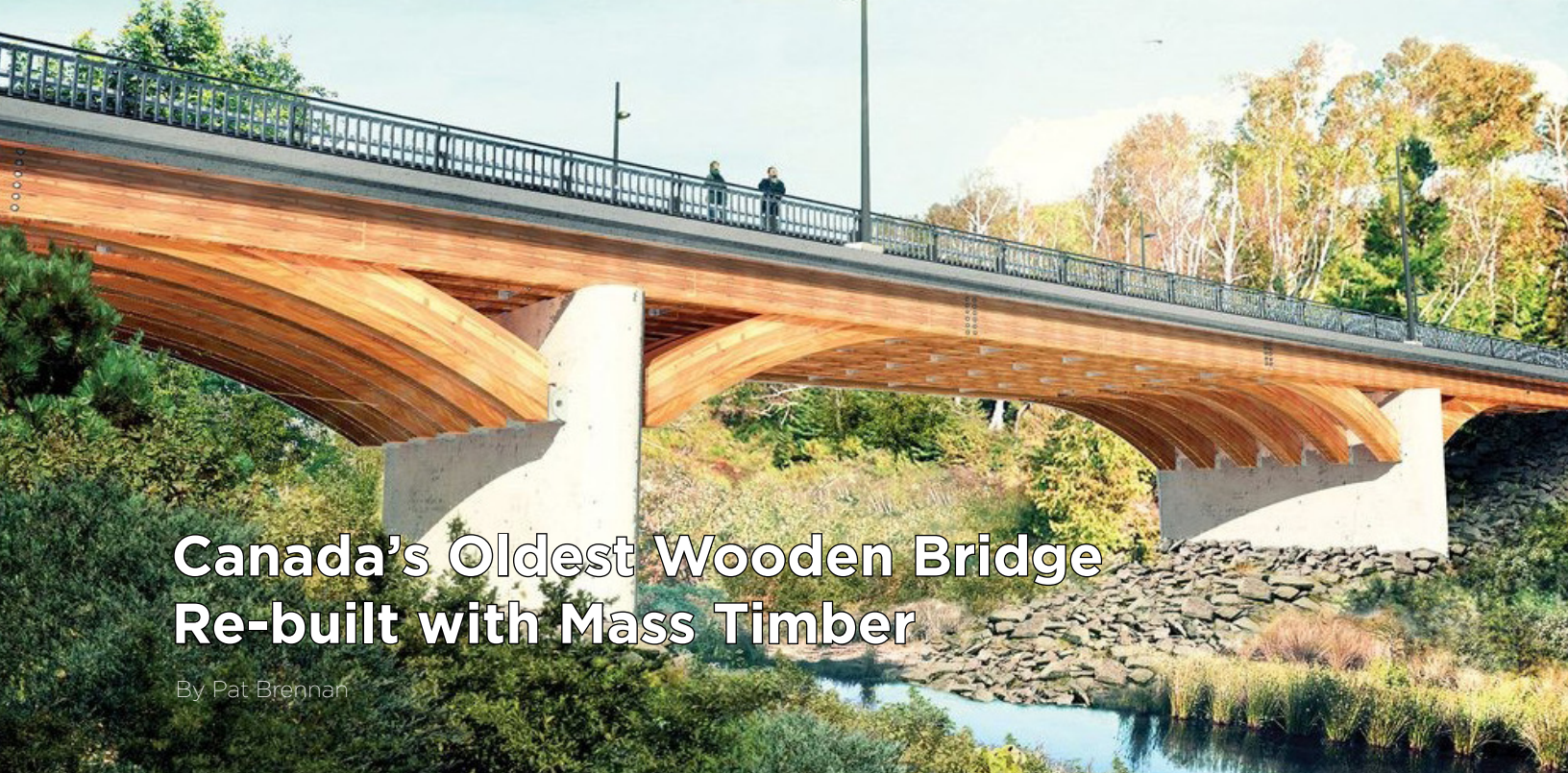
Approvals had to be obtained from Parks Canada, the Ontario Ministry of the Environment, Conservation and Parks, Transport Canada and the Department of Fisheries and Oceans.

"As the owner, we bring a considerable amount of project knowledge, background information and established relationships with various regulatory authorities. With the IPD model we're able to pair these benefits with the knowledge and experience of the designer and constructor," he said.

The \$180 million cost of the bridge was split three ways between — Canada, Ontario and the city. 🐾



Pat Brennan is a freelance writer and former real estate editor at the Toronto Star. You can reach Pat by phone at 647-898-9717 or at travelswithlefty@gmail.com



Canada's Oldest Wooden Bridge Re-built with Mass Timber

By Pat Brennan

Duchesnay Creek bridge mass timber bridge

NORTH BAY – Ontario's oldest wooden bridge has been replaced...by a wooden bridge.

The old bridge spanned Duchesnay Creek connecting North Bay to the Nipissing First Nation. It opened in 1937.

The new bridge opened last summer and was built with mass timber – the new construction technique now sweeping through Ontario.

Mass timber is composed of 4x6 lumber pieces glued or screwed together to create wooden panels and beams that are stronger than concrete or steel, but emit no or very little greenhouse gases.

Construction of the Duchesnay Creek bridge is unique in other ways too. It was built by a partnership of the Nipissing First Nation and Miller Paving Company.

The partnership has continued beyond the bridge and the partners are now tackling other road construction jobs in Northeast Ontario.

About 20 residents of Nipissing First Nation were employed on the bridge project, according to Chris O'Reilly, manager at [Miller Group](#) for heavy civil projects for Northern Ontario.

Duchesnay Bridge girders



Duchesnay Creek bridge in Ojibway and English languages

Douglas Fir logs from B.C. were shipped by rail to [Goodfellow Inc.](#), a 124-year-old lumber company in Montreal, where dozens of strips were glue-laminated and bolted together to create thick girders.

The girders were then sent back across the continent to be pressure treated at Seattle, Washington and then brought back to the North Bay site.

[Mammoet](#), the heavy-lift experts, were brought in to lift the wooden girders across the river to rest on concrete footings.

A dozen pre-cast concrete panels, manufactured by Miller Group, were then laid across the bridge's mass timber framing.

Miller then paved the bridge surface and a kilometre of Highway 17B leading to the crossing. ➔



Canada's First Museum of Water Coming to Port McNicoll

By Pat Brennan

S.S. Keewatin

PORT MCNICOLL - Canada's most precious resource deserves its own museum.

That's how historian [Dan Travers](#) and a group of volunteers in this town feel about their closest neighbour - water.

They believe that a country containing 20 per cent of the world's fresh water and has its shores washed by three different oceans needs a water museum.

There are 70 different water museums throughout the world organized by the United Nations, but none in Canada. Travers and his cohorts plan to create one in this historic port on the shores of Georgian Bay.

They hope the 115-year-old cruise liner [S.S. Keewatin](#), currently moored in Port McNicoll, will be the centre piece of their museum - if it stays in town.

Keewatin, four years older than the Titanic and the world's only Edwardian cruise liner still afloat, may soon ship out to the Kingston waterfront, but the local townsfolk have an active campaign to keep it on Georgian Bay.

The vessel is owned by Skyline Investments Inc. and was towed to Port McNicoll in June, 2012 from Saugatuck, Michigan where it had sat as a maritime museum for 45 years.

Skyline had planned to use the vessel as a community centre for a 1,500-home waterfront community it planned to build in Port McNicoll. That project was abandoned and Skyline has since sold all its recreational properties in Ontario, which included Deerpark in Muskoka, Horseshoe Valley near Barrie and Blue Mountain in Collingwood.

Keewatin was one of a fleet of five cruise liners operated by CP Rail to move passengers and freight from Port McNicoll to Fort William, now Thunder Bay. The completion of the Trans-Canada Highway through North Ontario in 1967 ended the ship service after 53 years.

Skyline is waiting to hear if it gets tax benefits by donating the vessel to Kingston's Marine Museum of the Great Lakes.

Travers said the [Canadian Museum of Water](#) will be created in Port McNicoll with or without the Keewatin. "The Keewatin is a marvelous asset for our town, but our most precious feature is the

water surrounding the town and covering Canada.”

Canada’s earliest history is based on water and the effect it has on Canada’s social, industrial, commercial and international development will be told by the new museum, says Travers.

“Port McNicoll has an exciting and diverse history from its Wendat and Ojibwe caretakers to the steamships of the Great Lakes, to the maritime recreation of today. It is clear to us that we have a larger story to tell.”

The [UNESCO World Water Network](#) has already welcomed Port McNicoll into its global network and the Canadian site is depicted on the UNESCO web site with a photo of the Keewatin.



Historian Dan Travers and the S.S. Keewatin



S.S. Keewatin

There are two water museums in the United States – one is Keepers of The Water in Brooklyn, N.Y. The other is the Green Earth Alliance in Florida.

Burkina Faso, a small land-locked country in the heart of Africa, has one of two water museums on that continent. That museum displays the history of the washboard and depicts the objects used by dowsers to reach and collect water, such wooden sticks, bicycle spokes and car nuts.

Chairman of Port McNicoll’s initial volunteer group is former Simcoe North MP Bruce Stanton. Also involved is Fred Addis former curator of the Keewatin as a museum and former curator at Orillia’s Leacock Museum National Historic Site.

Representatives of the area’s tourism, heritage and business community also sit on the museum’s board of directors.

The museum will open at a temporary location by Canada Day on July 1 and will sit on the cleanest water in the world. Port McNicoll is within the [Alliston Aquifer](#) – a source of ground-filtered water which scientists around the world recognize as some of the world’s purest water.

Spring water gushes from the aquifer 24/7 via three spigots at a kiosk on Yonge St. (County Rd. 27) in Elmvale, Ontario 27 kilometres north of Barrie. There’s usually a line up during the day of people filling water containers of the pure water. 🍷



Alliston Aquifer in Elmvale

Book Review:

By Jim Ward

******Icebergs, Zombies, and the Ultra Thin: Architecture and Capitalism in the Twenty-First Century******

**By Matthew Soules:
New York: Princeton Architectural
Press; 2021**

This is a highly readable and thought provoking book, although sometimes the author's tendency to use somewhat obscure Marxist language at times can be irritating. Nonetheless, it is a book with an important message.

The author, an Associate Professor of Architecture at the University of British Columbia, does sometimes lapse into the use of Marxist language and the fact that, particularly in the preface and the introductory chapter, he frequently quotes the economic geographer, David Harvey and Thomas Piketty, the author of the unlikely 2014 bestseller, *Capital in the Twenty First Century*, as well as many other Marxist theoreticians, including Marx himself, there



SHoP Architects, rendering of 111 West 57th Street, New York City. Under construction

is a danger that any reader who dismisses Marxism as a political and economic anachronism may dismiss the main arguments in the book. However, there is much to be gained from taking the time to persevere and read the whole book. There are also many powerful graphics and photographs that are effective supports for the author's arguments.

The main thesis of the book is that 'residential buildings', i.e. houses, apartments and condominiums serve not primarily as housing for people but as a means to grow capital.

The FIRE (i.e. Finance, Insurance and Real Estate) as growth areas of capital have increasingly become dominated by the real estate sector, particularly those which claim to serve as housing.

The title of the book provides important clues regarding the author's arguments. Icebergs refers to those houses where only a small proportion of the building is above ground level. Examples are provided of houses in London's tony neighbourhoods where most of the house is actually underground, possibly incorporating swimming pools, tennis courts, etc. below ground level. Apparently there are many such houses, often owned by Russian oligarchs that use this underground building strategy to get around local building height restrictions. The main point Soules presses here is these monster



San Buenaventura housing complex in Ixtapaluca, Mexico, 2009. Photo: Livia Corona in Architect Magazine



Multiunit housing shown in 2014 at Calanova Golf, Mijas, Málaga, Andalusia, Spain

homes are only occupied for a small part of the year, their owners being in possession of many houses in different parts of the world.

Zombies is the name Soules attaches to those houses where only a limited number of them are occupied. Their major purpose being a place to grow capital. In his discussion of zombie housing the author writes: "As housing is increasingly treated as an investment asset, its basic function of providing bodily shelter is beginning to appear outmoded." In zombie housing situations a large number of the housing units remain empty most of the time and tend to create what Soules refers to as 'exhibiting an eerily low level of vitality.'

And Ultra Thin refer to such housing projects as the building at 432 Park Avenue in New York City, built in 2015 rising to 432 meters, with 125 condominiums, many of which are uninhabited for much of the year and visible throughout Manhattan. For Soules, such a building is primarily a place for capital to grow.



Boeri Studio, Bosco Verticale, Milan, Italy, 2014



Residential buildings in the Meixi Lake Development, near Changsha. Via Wired

So what's the beef? The beef, for Soules is that residential buildings are increasingly becoming places to grow capital and their function as places for people to live has become secondary. And the result is that places for people to live are becoming more and more expensive and out of the reach of regular folks because the capital function of such buildings drives up the cost of all housing. The solution? One seems to be to hit the owners of such housing with high taxes. The question we have to ask is, would this work?

I believe this book is a 'game changer' in terms of how we look at housing and inequality. The 95 storey building currently being constructed at Bloor and Yonge Streets in Toronto, is an example of what Soules is writing about. There will be many empty units growing capital for their owners. Meanwhile, homeless people will be panhandling on the street below. 🍷



Dr. Jim Ward holds a PhD in Social Geography from the University of Maryland. He has taught Urban Sociology in universities in the United States, Australia and Canada and has published two books on urban homelessness in the United States, Canada and Australia as well as a book on small town life in Australia and a book on the geography of Yellow Fever in Latin America. For 20 years he was a consultant on social issues that led to projects in Canada, the USA, Armenia and Russia.



Appraising Niagara Wineries is a Labour of Love for John Glen

By John T. Glen, MA AACI FRICS MIMA

In 1995 John and his wife, Pam, were in Niagara's wine country and visited the Royal DeMaria winery. When John commented how poor the wine tour maps were, Pam said why don't you write a proper guide. Thus began John's effort to visit every winery in Ontario and ultimately every winery across Canada. That assignment is still ongoing because new wineries open every year. In 2005 they bought their dream retirement home in Niagara on the Lake. Subsequently an important part of John's appraisal focus has been in the Niagara Peninsula specializing in wineries, orchards, and greenhouses. Coincidentally his most current assignment is to appraise this particular property. Is this really work or pleasure?

Ontario Wineries come in all sizes and configurations. There are large estate winery operations and small farm wineries. What is common to each is a vineyard, a wine making operation and a retail operation.



Large Estate Winery: Two Sisters



Small Winery: Domaine Queylus

WINERY VALUATION

The key to winery valuation is understanding the nature of the winery business.

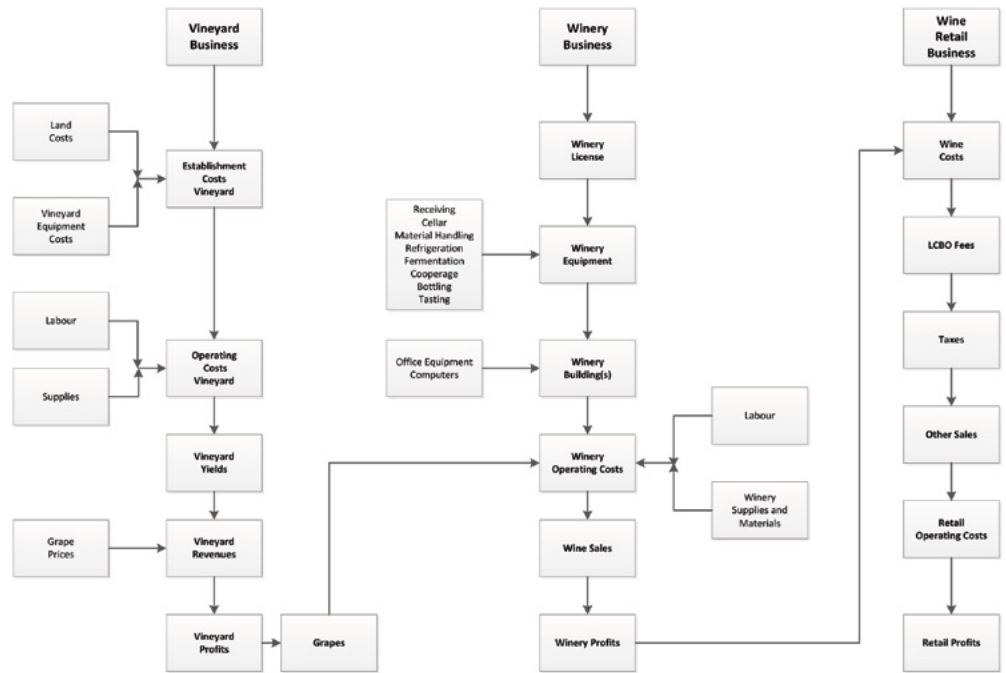
The winery business is really at least three separate businesses:

- Vineyard
- Winery
- Retail Wine Sales

The chart on the following page Winery Business summarizes the various interconnections among these businesses. Each has its own risks and operational issues. Key parameters are listed in the column to the left of the chart.

- 1.0 Vineyard Operation
 - 1.1 Land Costs
 - 1.2 Planting Costs
 - 1.3 Year of Plantings
 - 1.4 Varieties Planted
 - 1.5 Vineyard Equipment Costs
 - 1.6 Vineyard Operating Costs
 - 1.7 Vineyard Profits
 - 1.8 Multi-Year Vineyard Revenue Analysis
 - 1.9 Production History
 - 1.10 Brix
- 2.0 Winery Operation
 - 2.1 Equipment Costs
 - 2.2 Building Costs
 - 2.3 Land Costs
 - 2.4 Winery Revenue
 - 2.5 Winery Expenses
 - 2.6 Winery Profit
 - 2.7 Multi-Year Income Stream
- 3.0 Retail Operation
 - 3.1 Wine Sales
 - 3.2 Other Sales
 - 3.3 Multi-Year Income Stream
 - 3.4 Retail Operating Costs
 - 3.5 Retail Profits

The Winery Business¹



¹Glen, John T. (2014) (If you have difficulty seeing the chart expand page to 150%)

FOCUS ON LAND AND BUILDINGS

This article focuses on the value of the land and buildings associated with the winery operation. This includes the value of the vineyards required to produce the grapes for winemaking were applicable.



Vineyard in the Spring



EQUIPMENT

The Sales Comparison Approach for wineries generally includes the equipment required to operate a winery. That said individual wineries may have more or less equipment depending on all the factors associated with running a winery business. A typical appraisal report will include a list of the owner's replacement values associated with the equipment associated with the subject winery operation.

Grape Crushing Equipment



Fermentation Tanks



Vineyard Harvesting Equipment



Wine Barrels

INVENTORY

Another key element in valuing a winery operation is the value associated with the wine inventory. This value is complex as it includes wine in various stages of the production process as well as the bottled production ready for sale and distribution. This may include differences attributable to wholesale versus retail prices as well as expected warehousing and distribution costs.

A typical winery appraisal will not include the value of the inventory, although in a sales transaction this item may be a consideration. Generally, the value of the inventory is separated for tax purposes.



Wine Barrel Racks

VINEYARD VALUATION METHOD

Vineyard Establishment Costs

As outlined below the operation of a vineyard involves decisions of what varieties to grow in Ontario given climate and frost conditions. It takes an investment in time of at least 4 years before the capital investment associated with land preparation, trellising and the selection of grape varieties results in sustained production. The life of a vineyard is 25 years and for the investment to pay back, yields (and prices) must meet a certain threshold. As of 2019 vineyard establishments costs ranged from **\$42,994** to **\$43,216** per acre. As of 2021 we have projected a range of \$47,986 to \$48,234 per acre.

Note that the vineyard establishment costs **do not include the value of the underlying land which can only be established by an analysis of comparable vineyard sales**

Vineyard Establishment Costs²

Total Establishment Cost				
Cabernet Franc				Projected
	2009	2014	2019	2021
Preplant Year	\$4,254	\$5,545	\$6,899	\$7,700
Planting Year	\$12,620	\$13,975	\$15,769	\$17,600
Second Year	\$3,251	\$4,098	\$5,837	\$6,515
Third Year	\$4,078	\$5,270	\$6,998	\$7,811
Fourth Year	\$4,797	\$6,068	\$7,713	\$8,609
Total	\$29,000	\$34,956	\$43,216	\$48,234
21 Year Amortization	\$1,402	\$1,718	\$2,203	\$2,459
Change in Costs		23%	28%	12%
Per Annum Change (Year)	5	5%	6%	6%

Total Establishment Cost				
Chardonnay				Projected
	2009	2014	2019	2021
Preplant Year	\$4,254	\$5,545	\$6,899	\$7,700
Planting Year	\$12,620	\$13,975	\$15,770	\$17,601
Second Year	\$3,251	\$4,098	\$5,837	\$6,515
Third Year	\$4,063	\$5,277	\$6,890	\$7,690
Fourth Year	\$4,773	\$6,075	\$7,598	\$8,480
Total	\$28,961	\$34,970	\$42,994	\$47,986
21 Year Amortization	\$1,428	\$1,702	\$2,173	\$2,425
Change in Costs		19%	28%	12%
Per Annum Change (Year)	5	4%	6%	6%

²Ontario Ministry Agriculture and Food (2009,2014,2019), *Establishment & Production Costs for Grapes in Ontario*.

Recent Winery Sale Summary

Index	9.2
	
Property information	
Index	9.2
Winery District	NOTL/Benchland
Sub-Appellation	Niagara River
Winery Name	Lailey Winery
Address	15940 Niagara River Pkwy
Location	NOTL/Lincoln
Roll	262702001101800
PIN	464080006/464080130
Status	Sale
Sale/Listing	
Date	Oct-21
Price	\$5,100,000
Seller	TOPAZ ESTATE ENTERPRISES LTD.;
Buyer	2871803 ONTARIO INC.;
Site Information	
Site (Acres)	20.08
Vineyard (Acres)	18.00
Orchard (Acres)	0.00
\$/Site Acres	\$253,984
\$/Planted Acres	\$283,333
Winery Improvements	
Winery (sf)	7,905
Help House	0
Sub-Total	7,905
\$/Sf Improvements	\$645



Retail Tasting Room

COMPARABLE SALES APPROACH AND WINERIES

Relevant Sales

Typically, the following type of sales are used in estimating market value for Wineries:

- Winery Sales
- Vineyard Sales

Winery Sales

Winery sales are analyzed in two ways:

- Rate per Vineyard Acre
- Rate per Winery Improvement Area

Recent Winery Sale

The recent Lailey Winery with 18 acres of vineyard and 7,905 square feet of winery production and retail sold in October 2021 for \$283,333 per vineyard acre and \$645 per square foot of winery building area.

Summary of Winery Sales analysis

In the overall analysis of comparable winery sales, transactions in the Niagara Peninsula from Niagara-on-the-Lake and the Niagara Escarpment and Twenty Valley area (Lincoln, Beamsville and Jordan) were included.

Click [here](#) to see a map and listing of the various wineries in these areas.



APPLICATION OF WINERY SALES TO THE VALUATION OF A SPECIFIC WINERY

Vineyard Acreage Method

Niagara on the Lake wineries had a median price of \$210,833 per vineyard acre and Lincoln winery sales and listings had a median price of \$292,798 per vineyard acre. A price of \$220,000 per vineyard acre has been utilized in the valuation.

The four (4) vineyards total 112.00 acres. This would produce a value of an estimated value of \$24,640,000.

Winery Building Area Method

Niagara in the Lake wineries had a median price of \$417 per square foot while Lincoln winery sales and listings has a median price of \$545 per winery square foot. A rate of \$500 per square foot has been utilized in the valuation.

The subject winery currently has a 45,000 square foot winery production and retail area.

Based on a rate of \$500 per square foot, this would produce a value of an estimated value of \$22,500,000.

House

There also is a 3,100 square foot home on Parcel 1. This was valued using comparable home sales in the vicinity at \$695 per square foot or \$2,160,000. Since this article is focused on winery valuation we will not elaborate further on this segment of the valuation.

Conclusion

The average of the two value estimates is \$24,650,000 which we have rounded to \$24,700,000. 🍷

Valuation Summary

Method 1		Rate per Vineyard Acre			
Property	Basis	\$/Acre Vineyard	Vineyard Acres	Value Estimate	% Vineyard
Parcel 1	Property	\$220,000	68.290	\$15,023,800	61%
Parcel 2	Property	\$220,000	8.320	\$1,830,400	7%
Parcel 3	Property	\$220,000	26.180	\$5,759,600	23%
Parcel 4	Property	\$220,000	9.210	\$2,026,200	8%
Total		\$220,000	112.000	\$24,640,000	100%
Method 2		Rate per Winery Sf			
Property	Asset	\$/Sf Winery	Winery Building Sf	Value Estimate	% Improvement
Parcel 1	Improvements	\$500	43,000	\$21,500,000	87%
Parcel 2	Improvements	\$500	2,000	\$1,000,000	4%
Parcel 3					0%
Parcel 4					0%
Total	Improvements			\$22,500,000	
Property	Asset	\$/sf Home	House Sf	Value Estimate	
Parcel 1	House	\$695	3,100	\$2,160,000	
Total				\$24,660,000	100%
Method 1&2		Reconciliation			
Average				\$24,650,000	
			Rounded	\$24,700,000	



John Glen, MA AACI FRICS M.I.M.A.,

Director, Research & Valuation Equitable Value Inc.

John is a well known international lecturer who has specialized in valuation and property tax consulting relative to retail, office, shopping centres, hospitality properties, multi-residential, recreation and industrial facilities. He has worked in the Public Sector for Municipal & Provincial governments to assist in the development of and implement mass appraisal procedures for Ontario, Alberta and New Brunswick.



A Secret NORAD Village 600 feet Underground

NORAD thick door North Bay. Photo courtesy of Canadian Forces Museum of Aerospace Defence

NORTH BAY - A secret village carved deep inside the Canadian Shield will soon be consumed by an underground lake.

The village had been the principal defence against a secret attack by Soviet bombers and missiles coming over the North Pole during the cold war.

For 49 years NORAD stationed 400 American and Canadian military radar technicians in the village 600 feet deep in the world's toughest rock to watch for signals from the DEW Line (Distant Early Warning) that the enemy was on its way.



Gateway jet

The village was designed to withstand a direct hit from a 4-megaton atomic bomb so its occupants could survive for up to 6 weeks if a nuclear war broke out between NATO and the Soviet Union.

The technicians and their high-tech spy equipment were moved up to the surface and installed in a modern new building in 2012. Since then, Canada's National Department of Defence (DND) has spent \$16 million operating water pumps to fight off nearby Trout Lake which has been trying to invade the huge cave since construction began in 1959.

The cavern was dug near Trout Lake to use its cold water to cool the underground complex and control the heat generated by the huge computer and the radar monitors.



NORAD - North Bay

The DND has decided to give up the fight and let the lake have its way.

That's sad news for Trevor Schindler, a retired psychology professor at Canadore College in North Bay. He has been leading a campaign to save the unique military complex and give it a new life. Schindler said the cavern - the size of a shopping mall - is a unique asset that could become a tourist attraction as a national park or a museum about the cold war. He said it could be used as a storage vault for computer tapes which would be protected from fire, magnetic fields and natural radiation.

The military complex is locally referred to as "the hole" and there is already a museum up on the surface that tells its story. [The Canadian Forces Aerospace Defence Museum](#) is located on Wing 22 CFB in North Bay. Museum curator Bethany Atchison, a history graduate from North Bay's Nipissing University, often talks with radar technicians about their lives and work underground.

Her museum displays some of the antiquated technology rescued from the underground complex, which had been home to one of the world's largest computers. The SAGE (semi-automatic ground environment) computer weighed 275 tons, covered 22,000 square feet of floor space and was the size of a school gymnasium.

However, the huge computer was operated by radio vacuum tubes and eventually as they burned out NORAD could only buy replacements from East Germany. It was replaced in 1982 by a computer the size of a refrigerator.



Photo courtesy of Canadian Forces Museum of Aerospace Defence



Photo courtesy of Canadian Forces Museum of Aerospace Defence



Photo courtesy of Canadian Forces Museum of Aerospace Defence



Radar scope

It took Canadian miners nearly two years to gouge out the massive cavern and the 675,000 tons of rock was distributed to Canadian railways to be used as ballast to support railway lines in Northern Ontario.

Two long tunnels lead to the underground installation. One is 6,600 feet long and comes in from the north. The other is 3,330 feet long and comes in from the south. The NORAD complex was considered a prime target in a hot war and if a nuclear bomb or missile hit the site the blast effect would go in one tunnel and out the other without damaging the working complex.

Both tunnels had a 19-ton steel vault door at the surface and the doors were so specifically balanced that a 12-year-old child could open and close the doors by pushing on them.

The 63 radar stations stretched across the Canadian Arctic from Alaska to Greenland detected all airplanes over the Arctic and sent the information via thousands of miles of cables to "the hole" in North Bay.



Berthany with BOMARC



North Bay - soldiers on parade

Today the radar technicians scour the northern horizon with satellites.

Adjacent to Wing 22 air base the U.S. installed 28 nuclear-tipped **BOMARC** missiles to be fired at any in-coming enemy bombers or missiles. The BOMARCs didn't stand perpendicular in their silos, but laid down in "coffins". To be fired they were raised mechanically and each coffin was equipped with a pool of water to absorb the missile's launch flames.

The missile base today is occupied mostly by motor homes and camper trailers waiting to be launched this summer. 🍷

AND THEN PAUL FISH WENT TO AFRICA ...

By Mike O'Dwyer

Michael Cane AACI (retired), AOLE Board Member and Marketing Chair, was a major contributor to the Paul Fish Profile and the Altus Group article

There is an old adage, its origin highly contested, but its meaning nevertheless enduringly true: *Give a "man" a fish, and you feed him for a day. Teach a "man" to fish, and you feed him for a lifetime.*

There is a man named Fish, his origin not at all contested, who has, ahem, recast that old adage for our modern era and, as a result, improved the economies and lives of citizens in countries half a world away from ours.

This is Paul Fish's African story.

Paul Fish's father wanted him to be an accountant and, in a sense, *accounting* became central to Paul's professional life – and to his long and storied career as a real estate consultant during which Paul *accounted* for the cost and taxation of many properties in many places.

Paul came to Canada from England in 1975. "I worked in a central London estate agency," he says, "But I was limited to three days per week and (had) limited future prospects. That spurred a break and a vacation in Canada."

That vacation turned into a twelve-year tenure in the Royal Lepage appraisal division. Paul left Royal Lepage in 1987 to start a private practice with Gerry Divaris that later expanded with Trevor Marks and David Jenkins. With Paul leading the way, the original practice began working with others across Canada under the [Altus Group](#)



Photos courtesy of Paul Fish's blog <http://paulinsierrealeone.blogspot.com>

PAUL FISH, MRICS

Paul Fish is a Chartered Surveyor, a Member of the Royal Institution of Chartered Surveyors and specializing in valuation of properties for taxation and the mobilization of revenues for sub-national Governments. His work now focusses on developing countries in their reform of property taxation systems. He works in a consultancy role now mainly advising the International Centre for Tax and Development and its program called Local Government Revenue Initiative (LoGRI). LoGRI program <https://www.ictd.ac/programme/logri/> is based at the Munk School of Global Affairs and Public Policy at the University of Toronto, and extends and expands the previous work of the African Property Tax Initiative (APTI).

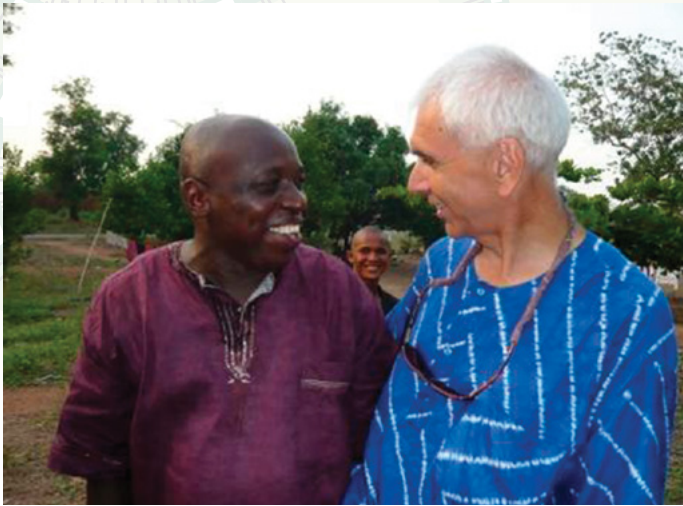
LoGRI is supported by funding from the Bill and Melinda Gates Foundation, the French Ministry of Finance, Economy and Recovery, the Norwegian Development Agency (Norad) and German Development Cooperation (GIZ).

He was a Principal and joint founder of Altus Group 1987-2010, a private independent real estate consultancy specialising in municipal taxation and valuation advisory for larger property projects throughout Canada.

name, an association of appraisal firms that formally merged in 2005 as the public income trust, Altus Group.

A man with a mission

Paul says that the purpose of Altus Group was to provide standard formatting and reporting for clients with large national portfolios,



a service not then available in Canada except through some larger brokerage houses. Paul adds, “All of those who came together to form Altus recognized the enormous demand for independent advice across Canada backed up by a solid assessment and consistent analysis across markets. We recognized not only the importance of property value but in the proper assessment of the strengths and weaknesses of the property in the context of its markets.”

Over the past 30 years, Altus has grown significantly into an international organization that now has over 2,000 employees in several countries including Canada, U.S. UK and Australia. A profile of the Altus Group, a Gold Sponsor of the 2022 AOLE annual meeting appears on page 24 of this edition of the The Land Economist.

By the age of 55, Paul had established a major, international real estate consultancy – but an early retirement was definitely not on his mind. Africa was – specifically, how to mobilize property tax revenue to aid the economies of poorer African countries instead of relying on the usual practice of the foreign funding of direct aid projects. Or as Paul may have parsed it: *Give a country aid for a single project and the country will benefit from that project alone. Give a country a means of efficiently and effectively actualizing its property tax base and that country will benefit for many years.*

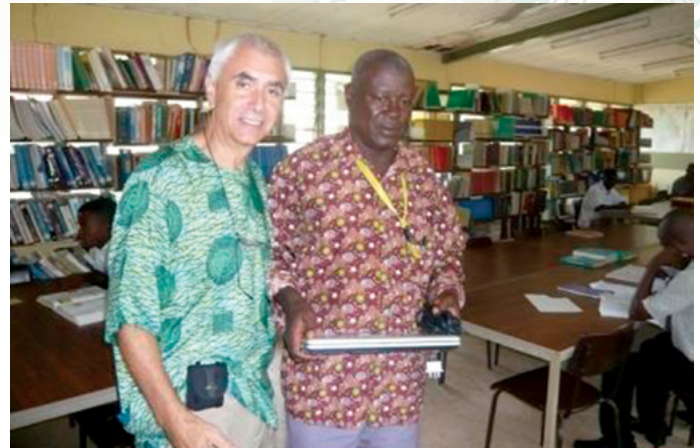
Paul says, “I became interested to explore the reasons why some countries remained poor and dependent on aid. *My interest* was spurred by my daughter Suzanne’s interest in the subject and her university’s international studies courses. It’s a fascinating and deep subject often misinterpreted and affected by politics, history and accepted myths.”

So in 2006, Paul took a leave of absence from Altus to explore the development of property tax systems in Sierra Leone, an extremely poor African nation with tremendous inequality in income distribution and serious social disorders that hamper economic development.

Even though Sierra Leone has substantial mineral, agricultural and fishery resources, its economic and social infrastructure is not

well developed. Its economy depends on domestic peace and the continued receipt of substantial aid from abroad, although a recent increase in political stability has led to a revival of economic activity.

Paul’s first African brief, via a six-month sabbatical with [Voluntary Services Overseas](#), was in [Makeni](#), the principal headquarters for Sierra Leone’s Northern Province. At that time, the town of 120,000 had made a very rudimentary assessment of properties but it was perceived as unfair by the ratepayers.



Paul’s goal was to set up a sustainable and more accurate method of expanding the current system of municipal taxation. His initial major hurdle: Market value – or, more precisely, the lack of it.

In mature economies, property value is set on the basis of *market value* or *ad valorem*. But in much of Africa, this is neither practical nor feasible because of the lack of an active/transparent property market against which assessed properties can be measured and severe limits on professional valuation capacity.



As well, there are very poor property records, no maps, no street addresses, and many records and buildings had been destroyed during internecine wars.

Paul’s solution was the development of *The Revenue Mobilization Program (REMOP)*, a reliable, technology-based property tax system that captures all properties in a given area and automates the valuation process to enhance tax collection and enforcement. (Learn more about Paul’s work in Makeni and about REMOP [here](#) and [here](#)).



Paul adds, "International agencies strongly encouraged decentralization of power to local municipalities but at the heart of that power is the ability to mobilize local revenues. We in 'the global West' accept that somehow our garbage is collected, streets

implementing the system and training staff to handle the collection and assimilation of property data – but that's far from all he's been up to.



In Makeni, Paul arranged for the construction of a concrete wall on the grounds of the Missionaries of Charity, helped start a food processing plant, aided an association for polio victims, and assisted in the development and expansion of the [Binkolo Growth Centre](#) where the manufacture of small farm implements, tailoring, carpentry and blacksmithing is carried out by disabled employees.

Paul has also developed a Computer [Literacy Centre for Students in the city of Bo, Sierra Leone](#). In 2010, he moved on to [Freetown](#), Sierra Leone where he partnered with the German NGO [Welthungerhilfe](#), to improve business planning, financial management and marketing for agricultural entrepreneurs in such nascent businesses as honey production, cassava processing, coffee, cocoa and other products.

are cleaned and lit and education is provided to our children. And we complain like hell when there is a demand for more property tax to pay for it. By contrast in developing countries municipalities frequently cannot provide even basic services and do not have the administrative nor political means to raise local revenue. So in Makeni when I introduced REMOP there was a welcome relief that at last the City Council would be able to respond to the urgent need. That common theme I find is constant. I now realize that paying taxes is to be welcomed but we then need to be critical of administrations to ensure that service delivery is made."

Since 2006, Paul has been heavily involved in selling the REMOP concept to Sierra Leone mayors and councilors, as well as



Along the way, he somehow managed to get involved in the development of bio diesel fuel made from palm nuts.



Meanwhile back in Europe: Paul was a co-founder and is still an advisor to the [Revenue Development Foundation](#) (RDF) a non-profit consultancy that provides advisory services and technical solutions to governments in developing countries focused on improving revenues from sources such as natural resources and property taxes. (View Paul's activities in Bo, Sierra Leone, on behalf of RDF, [here.](#))



Paul's years in Africa have been, ah *taxing*, involving a considerable amount of travel from one town or village to another, and one country to another (In addition to Sierra Leone, Paul has provided services to the countries of Malawi, Senegal and Ghana) often in less than ideal circumstances or temperatures (Sierra Leone is only eight degrees north of the equator, after all).

But that has not deterred him from taking time to truly explore the geography, culture and peoples of the African countries he has aided: "Sub-Saharan Africa is a fascinating place that has suffered a poor reputation focused on poverty and aid. There is much more to observe and experience -- the people, the life and the geography of the continent. One highlight of my time there was an Ethiopia trip I took with Toronto friends Ian Taylor, formerly of Monarch, and Trevor Marks at Altus Group. Glamping at close to 4,000 meters in fantastic scenery in Amhara and enjoying the amazing people and culture of Bahir Dar and Addis Ababa.



"It's certainly interesting to have experienced how most of the world lives and thrives as well as recognizing the problems affecting all of us caused by poverty. My bike repair fellow in Vaughan complained bitterly about the problems of Canada, wishing he was elsewhere. Hmmm."

These days, Paul works in a consultancy role, mainly advising the [International Centre for Tax and Development](#) and its program, the [Local Government Revenue Initiative](#) (LoGRI), based at the Munk School of Global Affairs and Public Policy at the University of Toronto, that extends and expands the previous work of the [African Property Tax Initiative](#) (APTI). LoGRI and APTI are supported by funding from the Bill and Melinda Gates Foundation, the French Ministry of Finance, Economy and Recovery, the Norwegian Development Agency (Norad) and German Development Cooperation (GIZ).

At this stage of his life, Paul may be scaling back his overseas work but he's not yet through with *teaching people how to fish* to improve their lives: "At 71 I'm ready to retire from the front line work, act as a technical adviser and attend to grandfathering."

He may have scaled back, but it's likely Paul will always have *some* lines in the water.



Michael O'Dwyer has had careers as a writer and editor – newspapers, magazines, radio, television, websites, marketing/ advertising – and as a senior communications practitioner/ manager/partner in both government and industry. His film/TV productions have won numerous international awards and have been shown on all major Canadian networks and on television and in theatres around the world.

ALTUS GROUP

A gold standard for CRE intelligence solutions and a Gold Sponsor of the 2022 AOLE Annual General Meeting

By Mike O'Dwyer

WHEN YOU NEED ACCURATE CONSTRUCTION COSTS – WHO YOU GONNA CALL?

As a professional land economist, you need breadth of knowledge and experience to successfully complete projects across a broad spectrum of real estate disciplines-- land development, finance, municipal planning, property management, market analysis and more.

But when you need current and *detailed* knowledge about, say, the construction cost of a 60-storey condo in Vancouver ... or a 20-storey office building in Winnipeg ... or a supermarket in Ottawa ... or an underground parking garage in St. John's ... or a 4-star full-service hotel in Montreal ... or a Pharmaceutical Lab in the GTA ... or a regional airport in Halifax ... or a community aquatic facility in Edmonton -- where do you go?

Right here:



The 2022 Canadian Cost Guide Your guide to better understanding real estate development and infrastructure construction costs.

The Canadian Cost Guide is published annually by [Altus Group](#), a leading provider of software, data solutions and independent advisory services to the global commercial real estate industry through two business segments: Altus Analytics and Corporate Real Estate (CRE) Consulting. The company is headquartered in Toronto and employs approximately 2,200 employees with operations in North America, Europe and Asia Pacific and its clients include some of the world's largest industry participants.

Altus Group annually produces cost guides to provide a better understanding of real estate development and infrastructure construction costs. The most prominent of these is The Canadian Cost Guide.

David Schoonjans, Altus Group senior director for cost and project management, has been the major compiler of Cost Guide content for the past five years but the Guide has been published annually for much longer than that, David says: "The Cost Guide began in 1983 so it's been published consistently for about 40 years.

"It's a joint effort by all our offices across the country and I simply manage the content."

David adds that approximately 7,500 Guides are distributed annually: "It's the most widely used and recognized guide in Canada.

"Our clients receive it, of course. It's also ordered by lenders, architects and developers, as well as by government agencies at all levels from federal to municipal. Really by anyone involved in real estate – including students, even if they are on the other side of the world. If you request the Guide online this year, it will be offered to you next year."

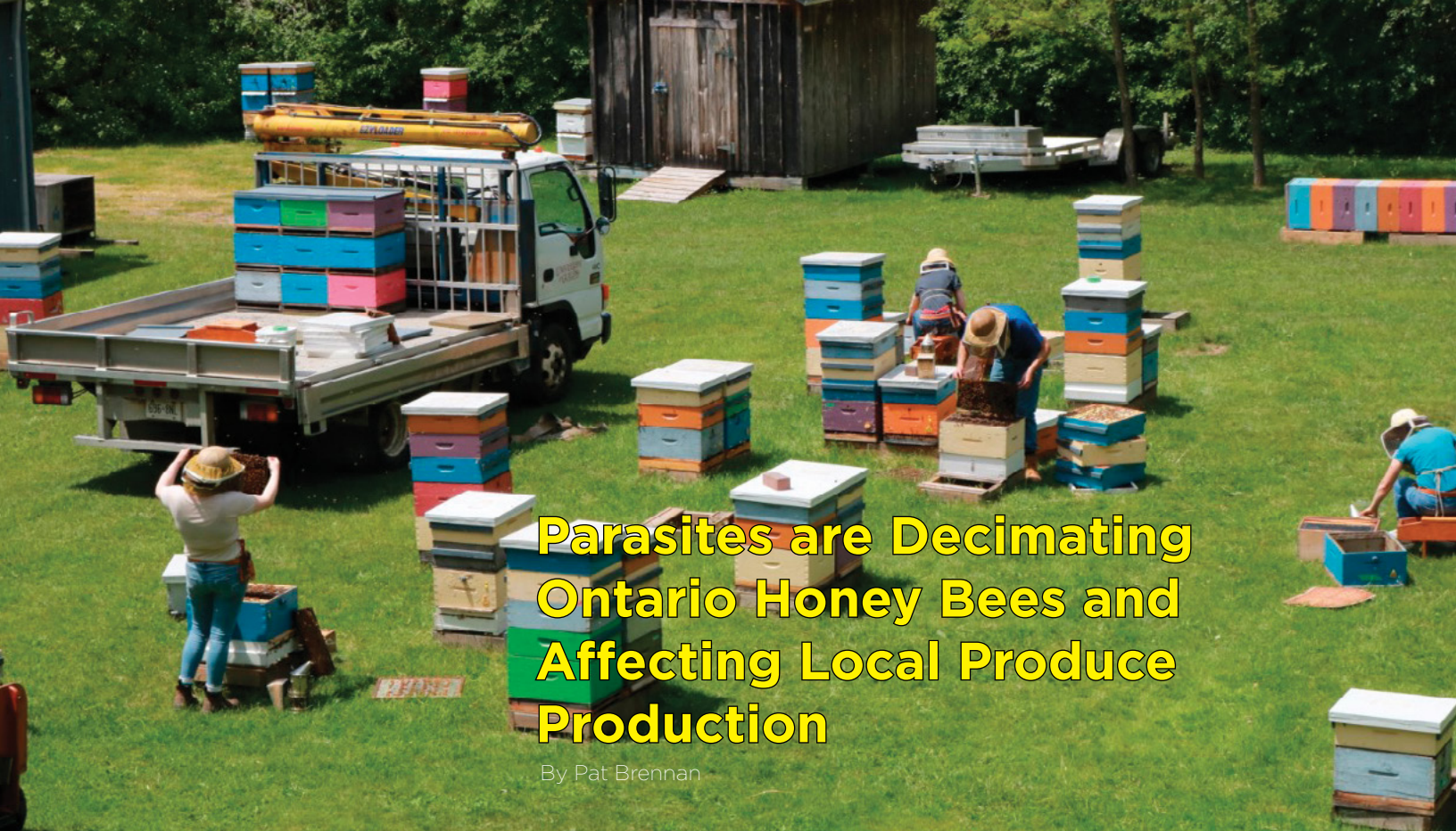
Construction costs are impacted by global and economic conditions, market trends, and advances in building materials, practices, and approaches. When producing the Canadian Cost Guide, David says all these factors are examined to provide a budget range of construction and hard costs across all assets classes in the marketplace.

"The Guide is a great reference tool. For developers during the early stages of a project before drawings and specifications are completed, the Guide provides a methodically confirmed pro forma price point. For example, if a developer wants an accurate estimate of the price of a mid-quality rental in Vancouver, the Guide will provide that.

"After the preliminary stage, the Guide is an accurate reference to measure a project in relation to costs."

Having a current and accurate understanding of construction costs is vital to managing development risk and navigating through the uncertainty to protect and project returns. But, according to David, developers often do not have the breadth of information they need: "Developers may have their own market info but it may not be the most current and it will be within their own *bubble*. The Guide provides more volume over the whole market."

You can get your free copy of the Canadian Cost Guide [here](#). ➡



Parasites are Decimating Ontario Honey Bees and Affecting Local Produce Production

By Pat Brennan



Ontario food growers are expected to lose more than \$1 billion in sales this summer because many of their traditional employees are not showing up for work.

The farmers rely on millions of honey bees to visit their farms each spring and pollinate their plants.

Ontario bee keepers opened up their hives this spring to find up to 90 per cent of their honey bees lying dead at the bottom of the hive.

Niagara Region has some of Ontario's most productive food lands, but it was one of the hardest hit areas for bee deaths over the winter, according to Paul Kelly, Researcher and Apiary Manager at the [Honey Bee Research Centre](#) at the University of Guelph. Of course Niagara is also an important wine producing region whose vineyards could also be affected by the reduced bee population.

Kelly said the 300 hives on and near the Guelph campus lost about 20 per cent of its worker bees this spring.

The young bees are being killed by a parasite called Varroa destructor. The Varroa mite lays its eggs on the bee larva which develop during the winter. The hatching mites draw blood and bodily fluids from the developing bee, said Kelly.



Bat Brennan
with Jodi Roth's
Honey Bees

He said the research centre at Guelph is trying to develop a plant oil to kill off the mites, which cause billions of dollars in lost food and plant production by eliminating honey bees.

The Varroa destructor was discovered in Japan in 1909 and confined to that country



Jodi Roth's bees

for many years before spreading throughout the world. It arrived in Canada in 1989.

Ontario's honey bees are pollinating plants in Ontario in April and May and then 40,000 hives are moved in early June to New Brunswick so bees can pollinate that province's wild blueberry crops along its coastal shore.

Kelly said the bees are shipped on flatbed trucks which can not stop between central Ontario and New Brunswick's coastal areas because the bees need the movement of air when stacked on the trucks to keep cool.

Naturalists in New Brunswick and the neighboring state of Maine found about 90 per cent of young moose born this past winter soon died because of mites feeding on their blood. The naturalists also found adult moose dead in the woods killed by mites draining their blood. The dead adult moose were often bald from rubbing against trees trying to kill off the itchy mites.



Naturalists said moose have tolerated the mites for 100 years, but believe global warming has greatly increased the number of mites afflicting the moose.

[Jodi Roth](#) operates a honey bee farm in Gads Hill, 12 kilometres north of Stratford. She doesn't concentrate on pollinating crops, but mostly harvests honey for sale, plus breeds and trains queen bees, which she sells to other bee keepers to create new hives. She also conducts introductory courses for the public to learn about the life and work of bees. Visitors to her farm get to dress in bee protection outfits and handle trays that contain thousands of honey bees.

She lost about half her bee colonies this spring. Her brother Mike Roth owns [Nith Valley Apiaries](#) near New Hamburg and has a large business pollinating farmers' crops. He lost 50 per cent of his honey bees this spring and it'll take a year to rebuild the colonies. 🐝



Your guide to better understanding Canadian real estate development and infrastructure construction costs

According to the Altus Group's 2022 Cost Guide, "The Canadian construction industry demonstrated remarkable resilience in 2021, with construction activity in many cities reaching or exceeding pre-pandemic levels. Although robust construction demand is generally welcomed news, it also compounded the cost pressures experienced over the past year. High demand, broken supply chains, volatile commodity prices and persistent labour shortages have conspired to create a perfect storm of rising costs and decreasing predictability.

Notwithstanding recent challenges, as the world emerges from pandemic-induced disruptions, greater predictability will emerge. Unfortunately, knowing when the tide will turn is both pivotal and undetermined.

Having a current and accurate understanding of construction costs will be imperative to help manage development risk and navigate through the uncertainty to protect your project returns."

[Download the 2022 Cost Guide](#) 



THE COMPANY WE KEEP

As a marketing benefit designed to assist our members in promoting their companies, we are introducing periodic ebasts that will highlight various member's activities.

Should you want to take advantage of this promotion opportunity like John Blackburn, please contact Kari at admin@aole.org

INTRODUCING

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The Association of Ontario Land Economists Proudly Presents Its **AGM Dinner with Keynote Speaker Hazel McCallion**

Tuesday June 14, 2022

Royal Canadian Yacht Club - Island Club House
(City Station Launch - 150 Cherry Street)
Toronto, Ontario

5:45 P.M. City Station Launch
6:00 P.M. Networking
7:00 P.M. AGM (Ballroom)
7:30 P.M. Dinner
8:30 P.M. Keynote Address by
Hazel McCallion - "Living a Life of Purpose"

Includes Launch and Drink Ticket
Wine Will Be Served with Dinner
Guests Are Welcome
Cost \$88.49 plus \$11.50 HST - Total \$99.99
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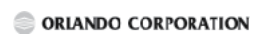
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Association of
Ontario Land Economists

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Andrew Brethour Appointed to the AGPI Board of Governors



Canadian human rights organisation, The [Abraham Global Peace Initiative](#) (AGPI), recently announced the appointment of our very own Andrew Brethour to its Board of Governors.

The Abraham Global Peace Initiative is the voice for the oppressed and all who call out for freedom, democracy and human rights. Their exclusive purpose is to contribute and advance the moral and ethical development of the community, work to preserve human life and uphold the administration and enforcement of Canadian law in all this entails.

"I am deeply honoured to be appointed to AGPI's Board of Governors," said Brethour. "AGPI is a leading Canadian advocacy organisation and I am humbled to play a small part in their fight to uphold and advance human rights globally," he added. "It has long been a cornerstone of my beliefs to give back to those in need and AGPI is a champion of that cause."

Andrew Brethour is Executive Chairman of [PMA Brethour](#), a full-service new home sales brokerage, development advisory and market research company, servicing low rise and high-rise builders.

He is a former Director and Executive of the Toronto, Ontario and Canadian Home Builders' Associations. Brethour is a Founder and former Chair of the Toronto and National SAM AWARDS and recipient of the prestigious Maple Leaf Award honouring Canada's top associate member. He is also the recipient of the 1999 "SAMMY" Award as Sales and Marketing Member of the Year, Ontario HBA and winner of the Riley Brethour Award both nationally and locally as chosen by the Greater Toronto HBA (BILD). Brethour was selected for the BILD Hall of Fame in 2005. Governor of Builder Marketing Society in the United States. Founder of RealNet Canada, now Altus. Member of the International Lambda Alpha Society of Land Economists and in 2012, the first Canadian named "Legend of Residential Marketing" by NAHB in the United States. Author of the leading-edge opinion piece on the Real Estate Market "Real Dirt" and more recently the uplifting "PMA Inspire" newsletter. ➤

AOLE Speaker Series Now on Video for your Viewing

If you missed the following live Speaker presentations watch them on video.

Long Winding Road to Recovery –

Outlook for Commercial Real Estate Markets in Canada with Carl Gomez, CoStar [Watch Video](#)

Data Driven Innovation in the Housing Sector, with Joe Vaccaro, RIOS [Watch Video](#)

Impact of COVID-19 on the GTA Housing Market and What's Next, with Andrew Brethour, PMA Brethour Realty Group [Watch Video](#)

High-Density Housing Market, with Ben Myers, Bullpen Research & Consulting [Watch Video](#)

Altus Insights Monthly Podcast Series

about the evolving state of Canada's residential and commercial real estate. Join Ray Wong, Marlon Bray, and Avi Zilver for monthly podcasts covering the latest market and construction cost trends across major markets in Canada. [Access Podcasts](#)

National State of the Market 2022

The Altus Group presents a review of the changes and trends that have impacted the residential and commercial market activity in major markets across Canada including regional perspectives. [Watch Video](#)
[Download Presentation Deck](#)

Greater Toronto Area Commercial Investment Review Q1 2022

Avison Young first quarter 2022 report. [View Report Summary](#)
[Download Full report](#)

What's Next for Canada's Housing Market in this Age of Uncertainty?

Stephen Poloz a former Governor of the Bank of Canada ponders the future of Canada housing market and looks at whether we are currently in a bubble? [Read Article](#)

World Housing Prices Rising

Where have house prices risen the most since 2000? [See Video chart](#)

Toronto under Constructions Podcasts

A residential real estate podcast hosted by Bullpen Consulting's Ben Myers and co-hosted by Steve Cameron. This monthly podcast will dive into the nitty-gritty of Toronto Real Estate, with a specific focus on housing policy and economics. [Access Podcasts](#)

MUST WATCH PMA | CIBC SUMMIT: WHO TURNED OUT THE LIGHTS? A LOOK AT THE CHANGING MARKET

The real estate market is in flux, but what caused this tumultuous time? Our experts will discuss the changing currents, cause and effect, and when we might expect the lights to come back on. [Watch video](#)

Quarter 4- 2021 Land Insights Report – Bullpen Research & Consulting & Batory Management [Read Report](#)

CBRE Hotels Market Update March 2022

CBRE Hotels prepares annual industry outlooks for the Canadian accommodation industry. This release details CBRE's 5-year national outlook and the 2022 outlook for 13 Canadian major markets and the provinces. [Access Report](#)

CMHC Rental Report Released

The Report Includes survey data for all major Canadian markets covering metrics like vacancy, turnover, and rental growth. According to the report about Toronto "The lingering effects of the pandemic continued to impact demand in the purpose-built rental market negatively and led to a second consecutive annual increase in the vacancy rate." [Download Report](#)

Not To be Missed Fascinating Videos Real Madrid Stadium

This fascinating video reveals the technological marvels of the Real Madrid stadium now being revamped to become an ultra modern state of the art stadium with a new retractable roof and a pitch that can be removed and reassembled allowing for multiple uses such as concerts, conventions and even other sports such as American Football. [Watch Video](#)

Evolution of World's Tallest Building: Size Comparison (1901-2022)

This dramatic video takes you on a historic illustrated journey through time depicting the rising of each record setting building of its day. Can you guess where the latest tallest building is located? You will have to watch the video to see if you are right. [Watch Video](#)

The Libfeld Family Feud & the Effects on the Conservatory Group [Read the Article](#)

Fengate JV offers details on 11-tower T.O. development

Developers submit new proposal for site

where Toronto had planned a Rail Deck Park [Read Article](#)

How Blackstone became one of the World's Top Warehouse Owners.

A March 9th article in REXN chronicles the growth of Blackstone. According to information in the article the firm that was "founded in 1985 by two former bankers at Lehman Brothers" is today "one of the world's top owners of logistics real estate with a portfolio that spans over 950 million square feet in places like the U.S., Europe, China, and India." [Read Article](#)

Amexon to Launch 5- Tower Toronto Central Park Development.

According to an article published in REXN on April 7th, "a Sheppard Avenue property owned by Toronto's Amexon Development Corp. since 1995 is about to be transformed into a multi-tower, mixed-use community with more than 2,000 residential units and 320,000 square feet of redesigned office space." [Read Article](#)

Brookfield's Flatt Reveals Secret behind 3,700% Return [Read Article](#)

Fengate Acquiring 2 Ottawa Development Sites, Plans 5 towers.

Fengate Asset Management is acquiring two prime residential sites along St. Laurent Boulevard and Richmond Road in Ottawa and is planning to build 5 towers comprising about 1,900 residential units. [Read Article](#)

T.O. esports Venue Construction to start in October.

According to an article in Feb 23rd's Globe and Mail, Bob Hunter, a former Maple Leaf Sports and Entertainment executive and current senior vice-president of OverActive Media, is overseeing plans for a 7,200-seat performance venue – to house esports and other entertainment events – and hotel at Exhibition Place on Toronto's lakefront. [Read Article](#)

The Rush is on for Industrial Land in S.W. Ontario.

RENX Reports in their Feb 28th edition that "Industrial land acquisitions and development continue at nearly breakneck speed in Southwestern Ontario as prices and rents keep rising and pushing investors farther west from the Greater Toronto Area" [Read Article](#)

An Interesting Look at the Toronto Downtown Skyline over the last 65 years

Blogto presents this interesting Slideshow. [View Slideshow](#)



The Legislative Beat

By Andy Manahan, PLE

Housing Crisis an Election Issue

I was pleased to be the lead organizer of a Housing Supply Summit hosted by the Residential Construction Council of Ontario, RESCON, which was virtually attended by 700+ people on March 3, 2022. The timing was ideal as the Report of the Ontario Housing Affordability Task Force had been released a month before. Amongst the 55 recommendations, the overarching goal – and one of the boldest recommendations ever made by a provincially-appointed task force – is to build 1.5 million homes over the next 10 years.

Recognizing that provincial and municipal elections would be taking place in 2022, keynotes were given by Municipal Affairs and Housing Minister Steve Clark, federal housing minister Ahmed Hussen and, representing Ontario's Big City Mayors, Barrie Mayor Jeff Lehman (later, he made it official that he would be running provincially for the Liberals).

While the solutions to the housing crisis might have differed, it was clear that there was alignment on the severity of the situation across party lines. During the noon hour, opposition leaders were given an opportunity to weigh in. NDP leader Andrea Horwath said more missing middle housing must be built instead of paving over farmland. Similarly, Green Party leader Mike Schreiner said that the province needs to increase housing through gentle density and building missing middle housing along transit corridors.

While the Liberal party had not released its platform, leader Steven Del Duca focused on Ontario's "significant affordability crisis" and called on all levels of government to break down impediments to get all forms of housing built.

The NDP first released a housing plan in late 2020 but updated it in early May by supporting the task force's goal of building 1.5 million homes through measures such as ending exclusionary zoning and assisting

first-time buyers with a down payment plan. Recognizing that housing is a human right, renters would also receive greater protections and chronic homelessness would end within 10 years.

The Liberal platform commits to building 1.5 million homes in the next decade and to cutting red tape that is driving up home costs. Zoning rules would be changed to allow homes with up to three units and two-storeys to be built as-of-right. The Plan also calls for ending the two-tier rental market by bringing back rent control across Ontario, banning new non-resident ownership and placing a tax on empty homes. Speculators who sit on serviced land and who have approved building permits, will be faced with a 'use it or lose it' levy. The funds generated from these levies will be redirected to get more affordable housing built.

In addition to building 100,000 new affordable units, the Greens would allocate \$5 billion over 10 years for a Green Building Program that would reduce GHG emissions. To discourage speculation, individual or corporate domestic buyers who own two or more homes or condo units would have to pay 20 per cent tax for the third home purchased. That will increase with each additional property.

This Summit differed from other housing-oriented conferences in that one of the panels addressed the labour supply shortages which are making it difficult to keep up with demand. Making the trades more attractive to enter is one way to expand the workforce. This spring, approximately 40,000 construction trades in the high- and low-rise residential and ICI sectors were on strike. Combined with rising material prices and supply chain disruptions, these work stoppages will impact construction scheduling and no doubt have an influence on housing affordability.

RESCON has decided to hold a follow-up event on the afternoon of October 6 called [Housing Supply Summit 2.0: Progress](#)

[Report](#). This will be two and a half weeks prior to the municipal elections on October 24. Ted Tsiakopoulos, best-selling author and senior economist at CMHC, will be one of the speakers during the online summit.

More Homes for Everyone Act

In late March, Min. Clark introduced a bill which, if passed, would help to build housing of all types faster. For example, planning rules would be altered to give control to municipal staff, rather than local councillors, on site plan applications.

Contemplated for 2023, the PCs want to speed up zoning bylaw amendments by having application fees returned if a decision isn't made by the municipality fast enough. In perhaps the most biting rebuttal, Toronto's chief planner Gregg Lintern tweeted that "Building a city is not like ordering a pizza. No matter what role you play in urban planning in Ontario you've gotta think a '30 minutes or free' approach on refunding application fees will not result in more homes for everyone."

Case backlogs would be reduced by infusing the Ontario Land Tribunal and the Landlord and Tenant Board with an additional \$19 million.

Mass timber housing of up to 12 storeys would be allowed through changes to the Building Code.

A Community Infrastructure and Housing Accelerator would permit a municipality to bypass their own approval processes and apply to the Municipal Affairs and Housing Minister to approve prescribed types of housing such as non-profit housing, market housing or long-term care housing.

Unethical conduct by developers would be dealt with by a doubling of fines and an extension of building licence suspensions.

Earlier in the year, the Province announced that Ontario's 39 largest municipalities would be provided with \$45 million as part of a new Streamline Development

Approval Fund to modernize and accelerate processes for managing and approving housing applications.

Predictably, the opposition leaders criticized the Bill.

During a campaign stop in May, Premier Ford said that “a re-elected PC government would also update its Housing Supply Action plan annually to identify and implement additional levers that will get more homes built faster.”

Election Talk

Usually the provincial budget is tabled by the end of March (indeed, the PCs committed to doing this), but this year Finance Minister Peter Bethlenfalvy delivered the budget on April 28th. The writ was dropped on May 4th meaning that there was no opportunity for debate in the legislature. In essence the budget is a campaign document which could be reintroduced upon the successful reelection of the Tories. It is worth noting that some pundits have said that it is “Ford’s election

to lose.” Even though polling numbers have fluctuated, it is evident that the Liberals and the NDP will split the votes in certain ridings, making a PC victory a strong likelihood.

Both Horwath and Schreiner tested positive with Covid and thus were unable to pound the pavement, providing an advantage to Del Duca. While not a sophisticated policy proposal, his “Buck a Ride” plays off of Ford’s promise of four years ago to have “Buck a Beer” for Ontarians and would help to generate more transit ridership. On the other hand, Premier Ford has also benefitted from the support of construction unions.

Excess Construction Soils

In the previous edition, I noted that the soil regulations would be phased in starting on January 1, 2022. While O. Reg. 406/19 did go into effect, in an unusual move it was announced on April 21st that the implementation period would be paused until January 1, 2023. [Click here for a detailed summary by WeirFoulds LLP.](#)

The Resource Productivity and Resource

Authority had already been collecting fees but this too has been put on hold until 2023.

On behalf of the Toronto and Area Road Builders Association, I wrote that the Province should use the interim period to continue with outreach efforts and inform stakeholders of the new requirements, and to promote testing of different approaches to beneficially reuse excess soil. For municipalities and developers engaged in projects extending into 2023, it would be advisable to use best management practices such as soil testing and tracking, using qualified persons. ➔



Andy Manahan is President of Manahan Consulting Services and a member of AOLE's Board of Directors.



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