# Submission prepared for: MUNICIPAL PROPERTY ASSESSMENT CORPORATION

## From:

PitSense Niagara Escarpment Group Inc.

Re:

Negative Impacts on Actual Property Values due to Proximity to Proposed Aggregate Operations

Caledon Ontario December 12, 2011



Mr. Jason Moore Manager, Valuation Assessment Standards & Mass Appraisal One St. Paul St. E. Box 1270 St. Catherines, Ontario L2R 7L2

December 12, 2011

Dear Jason;

Subsequent to our September meeting, PitSense has compiled the enclosed material to assist you in developing a policy and formula for application to assessments for properties in proximity to proposed and active aggregate operations. We are now forwarding the enclosed material for your consideration.

It is our understanding that MPAC is expecting us to provide a list of the pits and quarries that are of particular concern to PitSense and to Gravel Watch affiliates. Enclosed is that list – **APPENDIX 'A'** - with our particular local (McCormick) pit highlighted in yellow (#5 on Pit Applications list). We would suggest that properties within approximately 5kms of each pit should be studied for impacts accruing from the date of an MNR application. Included on the list is the recently denied application for a quarry license in Caledon known as the **Rockfort Quarry** (#28 on Pit Application list). It provides the opportunity to compare real estate activity before, during, and after an application was made and subsequently denied.

Also enclosed is a chart – **APPENDIX 'B'** - showing some of the real estate activity that has occurred recently in the vicinity of the proposed **McCormick Pit** (see maps **APPENDIX 'C'** and '**D1'**, '**D2"**, '**D3'**). We have not had success in obtaining similar data for other pits on the list. It is quite difficult to compile such lists and we trust that MPAC will be able to use its resources to obtain the information necessary to allow you to develop the formula we are seeking.

You will note that 33% of the sales that occurred in our area since the pit application became public, in the zone we believe is most affected by the McCormick Pit proposal, were sold *below* the 2008 MPAC assessed value.

In particular we draw attention to **18321 Heart Lake Rd**. which eventually sold for considerably less than its listing price and its assessed value **despite being extensively renovated and upgraded** since the 2008 assessment date. Please refer to **APPENDIX 'E'** with regard to prospective purchasers of this property who backed out of an offer upon learning of the pit proximity and haul route plans.

Another example of negative impact is the property at **17971 Heart lake Rd**., which was offered for sale early in 2011 for \$579,000 (an unusually low price for a 25 acre property in this otherwise desirable area), reduced in July to \$549,000.00, and **eventually sold in October for \$500,000**. An agent showing that property explained that the price had been set lower than normal because of the prospect of the McCormick Pit and its associated haul route.

We also request your serious consideration of the impact on properties such as **17666 Heart Lake Rd**. - a residential property, surrounded on 3 sides by the proposed pit and which has been deemed by professionals to be virtually unsaleable as a residence unless its price were reduced to salvage value (see **APPENDIX 'F' and 'G'**).

We have several testimonial letters from prospective purchasers and real estate professionals that we believe must be considered when understanding and defining the full effect on property values. Sales data is insufficient, since if there is no sale as the result of fear of the pit effects then there will be no data. For example serious consideration must be given to properties such as **18161 Heart Lake Rd.** which was offered for sale during the summer of 2011 and went unsold. It was eventually rented instead. (see **APPENDIX 'H'**)

We also have access to some aerial views and maps that show the locales of some of the applications. For example – **APPENDIX 'I'** – map of area around proposed Norval Quarry in Brampton (ref. item #2 on pit application list APPENDIX 'A'). We can provide several more similar examples if you wish.

We also have in hand several letters from real estate brokers and agents expressing their general concerns and experiences with regard to sales in the vicinity of pits/quarries. Examples enclosed – (APPENDIX 'J', 'K', 'L', 'M', 'N', and 'O').

Finally, we have included the C4SE Report prepared in 2009 for the Town of Caledon (**APPENDIX 'P'**) when they were considering the economic impacts of the proposed Rockfort Quarry. Within that report is data not only from the local Caledon area, but also from an extensive study done by Professor Diane Hite of Auburn University and a report from the Upjohn Institute. We believe many of the conditions and conclusions described therein would have applicability to the similar circumstances pertaining to the proposed McCormick Pit.

Please review the enclosed material and advise if you would like elaboration of any of it, or any additional information that would be useful to you.

Very Best Regards;

Paul Revell Steven Chepa Don MaDow Bob Shapton

PitSense Niagara Escarpment Group Inc.

16847 Heart Lake Rd. Caledon, Ontario L7C 2L4 416-875-2232 pitsense@gmail.com www.pitsense.ca

#### **APPENDIX INDEX**

- A List of pit applications/locations of concern to PitSense
- **B** Real Estate Sales data chart for 2009-2011 in proximity to proposed McCormick pit
- C Map of area in 4 to 5km proximity to proposed McCormick Pit.
- D1, D2, D3 Maps of area showing properties most affected by proximity to proposed McCormick Pit and proposed Haul Routes
- E Letter from prospective purchasers of 18321 Heart Lake Rd. describing their decision to back out of a purchase due to proximity to proposed McCormick Pit.
- F Letter from Real Estate Broker Jamie Gairdner re: current value of 17666 Heart Lake Rd.
- G Letter from Re/Max Representative Heather Stimpson re: current value of 17666 Heart Lake Rd.
- H Letter from Real Estate Broker Jamie Gairdner re: negative effect of McCormick Pit plans on saleability of 18161 Heart Lake Rd.
- I Map of proposed Norval Quarry location
- **J** Letter from Kathy Ellis, Johnson Associates Real Estate Ltd. Brokerage, re: negative impact on properties in proximity to pits and quarries.
- K Letter from Maria Britto, Sales Representative, Re/Max Realty Specialists Inc. re: negative impact on property values near pits or quarries.
- L Letter from Cindy Toner, Broker/Owner Seller's Choice Ottawa Valley Realty Inc. re: negative effect on property values near pits/quarries.
- **M** Letter by Daniel Stewart, real estate agent in Quebec re: impact on property values near gravel pits.
- N-OMB submission by Jamie Gairdner, Broker of Record GAIRDNER & ASSOCIATES REAL ESTATE LTD. in which he describes reluctance of buyers in proximity to pits/quarries.
- O OMB submission by Bob Stanley, Broker, Tina Klein Real Estate Services Inc. in which he discusses land value impacts of proposed quarry in Caledon.
- **P** C4SE study done for Town of Caledon re: Rockfort Quarry proposal in which negative impact studies (Hite, Upjohn) are presented and adverse effects on Town revenues are discussed.
- **Q** Letter from Liz Shaughnessy re: negative effect of potential quarry plans on intent to purchase 18161 Heart Lake Rd.

## APPENDIX 'A' -PIT APPLICATIONS

	Applicant / Location	Application public announcement	Size	Notes	Annual tonnage (5ones)
1.	3191574 Nova Scotia Company / 477476 Third Line R.R. #2 Part of Lots 18 to 23, Concession 1 O.S. Part of Lots 18 & 19, Concession 2 O.S. Part of Lots 17 to 21, Concession 3 O.S. Part of Lots 16 to 19, Concession 4 O.S. Part of Original Road Allowance between Lots 20 & 21, Concession 3 O.S. Township of Melancthon COUNTY OF DUFFERIN	March 10, 2011	937.1ha	Quarry below water EBR # 011-3976 EBR # 011-2864 Highland Company Melancthon Quarry Class 1 farmland; tourist area; adjacent to NEPDA	Unlimited
2.	Brampton Brick Limited / Part Lot 12, Concession VI WHS CITY OF BRAMPTON, REGIONAL MUNICIPALITY OF PEEL	November 4, 2010	34.9 ha	Quarry below water EBR # 011-1911	200,000
3.	Preston Sand & Gravel / Part Lot 23 and 24, Concession X REGIONAL MUNICIPALITY OF WATERLOO TOWNSHIP OF NORTH DUMFRIES	June 2, 2010	50.52 ha	Pit above water EBR # 011-0351	750,000
4.	Dufferin Aggregates division of Holcim (Canada) Inc. / Part Lot 19, 20, 21, 22 and 24 Concession 3, Part Lots 20, 21 and 22 Concession 4 REGIONAL MUNICIPALITY OF HALTON, TOWN OF HALTON HILLS	May 4, 2010	124.4 ha	Quarry below water EBR # 011-0889	4,000,000
5.	Blueland Farms Limited / Pt. Lot 12 Concession II EHS REGIONAL MUNICIPALITY OF PEEL, TOWN OF CALEDON	February 4, 2010	40.5 ha	Pit below water EBR # 010-9061 McCormick Pit	1,500,000
6.	<b>Brock Aggregates Inc.</b> / Pt. Lot 26 Concession X, Former Township of Albion, Town of Caledon, Regional Municipality of Peel	November 19, 2009	25.3ha	Pit below water EBR # 010-8427 Expansion of Tottenham Pit	
7.	<b>Hunder Development Ltd</b> . / Part Lot 5 and 6, Concession Broken Front REGIONAL MUNICIPALITY OF WATERLOO TOWNSHIP OF WOOLWICH	April 8, 2009	88.3ha	Pit above water EBR # 010-6346	500,000

APPENDIX 'A' cont'd

				ALLENDIA A COIL U
8. Kuntz Topsoil, Sand and Gravel Ltd. / Part Lot 3, Concession Crooks Tract, West of Grand River REGIONAL MUNICIPALITY OF WATERLOO TOWNSHIP OF WOOLWICH	December 17, 2008	36.02ha	Pit above water EBR # 010-5469	150,000
9. D & J Lockhart Excavators Ltd. / Part Lots 72 & 73, G.C.T.REGIONAL MUNICIPALITY OF WATERLOO TOWNSHIP OF WOOLWICH	September 6, 2008	9.3ha	Pit above water EBR # 010-4576	150,000
<b>10. Capital Paving</b> / Part Lot 71, 74 and 75 Concession G.C.T. REGIONAL MUNICIPALITY OF WATERLOO TOWNSHIP OF WOOLWICH	September 5, 2008	41.72ha	Pit below water EBR # 010-4422 Montrose Pit – near Covered Bridge	500,000
11. Capital Paving / Part Lot 13, 14 and 15, Concession 3 COUNTY OF WELLINGTON TOWNSHIP OF PUSLINCH	August 22, 2008	51.3ha	Pit below water EBR # 010-4536 (also see: EBR # IB05E3030 withdrawn)	400,000
<b>12. St. Marys Cement Inc.</b> / Part Lot 33 and 34, Concession 9 REGIONAL MUNICIPALITY OF WATERLOO TOWNSHIP OF NORTH DUMFRIES	May 21, 2008	51 ha	Pit below water EBR #	600,000
13. Walker Industries Duntroon / Lot 25 and Part Lot 26, Concession XII and Lot 25, Concession XI in the Township of Clearview, County of Simcoe.	May 13, 2008	127.02 ha	Quarry extension below water EBR #010-4431 and 010- 3114 Tourist area; in NEPDA	
<b>14.</b> Lafarge Canada Inc. / Part Lot 9 & 10, Concession IV, Geographical Township of West Flamborough CITY OF HAMILTON	October 5, 2007	30.9 ha	Quarry below water EBR # 010-1787	Unlimited
<b>15. 1386146 Ontario Inc.</b> / West half of Lots 9 & 10 Concession 5 REGIONAL MUNICIPALITY OF YORK TOWN OF WHITCHURCH-STOUFFVILLE	June 7, 2007	34.9 ha	Pit above water EBR # 010-0715	950,000
<b>16. Harold Sutherland Construction</b> / Part Lots 25, 26, 27 & 28, Concession 10 (formerly Keppel Township) TOWNSHIP OF GEORGIAN BLUFFS	April 17, 2007	68 ha	Quarry EBR # 010-0347	600,000

APPENDIX 'A' cont'd

17. Murray Group Ltd./ Lots or Part lot(s) 2 & 3, Concession 3 EOGR, and Part of Park Lots 20 and 21, Plan 140, Geographic Township of Pilkington. TOWNSHIP OF CENTRE WELLINGTON	January 19, 2007	36.59 ha	Category 3 – pit above water EBR # IB07E2010	350, 000
18. James Dick Construction, Dolime Quarry / LOT: 1,3,4,5 CONC: 4, LOT: 1-5 CONC: 5 near the intersection of the Hanlon Expressway and Wellington Street, Guelph	2007	52.6 ha	Quarry below water Application made to reopen & double extraction at dormant quarry (Lime production facility closed in 1998. uarry operation ceased in June 2001) MDI # 40P09SW00002	1,000,000
19. M.A.Q. Aggregates Inc. / Part of Lot 20 Concession A, Municipality of Grey Highlands (formerly Township of Osprey) Lot 21 Concession A, Municipality of Grey Highlands (formerly Township of Osprey) Part of Lot 22 Concession A, Municipality of Grey Highlands (formerly Township of Osprey) MUNICIPALITY OF GREY HIGHLANDS	November 16, 2006	100 ha	Quarry below water EBR # IB06E2074 Tourist area; adjacent to NEPDA	1,000,000
20. Preston Sand & Gravel / Part of Lots 1 and 2, Concessions 3 and 4 TOWNSHIP OF PUSLINCH	July 26, 2006	59.1 ha	Pit below water EBR # IB06E2053	750,000
<b>21. Nelson Aggregate Co.</b> / Part Lots 17 & 18, Concession 2 CITY OF BURLINGTON	May 17, 2006	82.3 ha	Quarry below water EBR # IB06E2040	Unlimited
22. Kuntz Topsoil, Sand and Gravel Ltd / Part Lot 4 Concession GCT, 889 Bridge Street TOWNSHIP OF WOOLWICH	February 17, 2006	36.78	Pit above water EBR # IB06E2008 License granted February 7, 2007	50,000
<b>23. M.A.Q. Aggregates Inc.</b> / Part Lots 2, 3, 4 and 5, Conc. 1, TOWNSHIP OF WAINFLEET	September 7, 2005	80.6 ha	Quarry below water EBR # IB05E2816 approved Jan/8/2009	1,000,000
<b>24. Miller Group Inc.</b> / Lot 16, Concession A, McNab-Braeside Township, Renfrew County	March 10,2005	permit to take water	Quarry below water EBR # IA05E0294	10,080,000 litres per day

APPENDIX 'A' cont'd

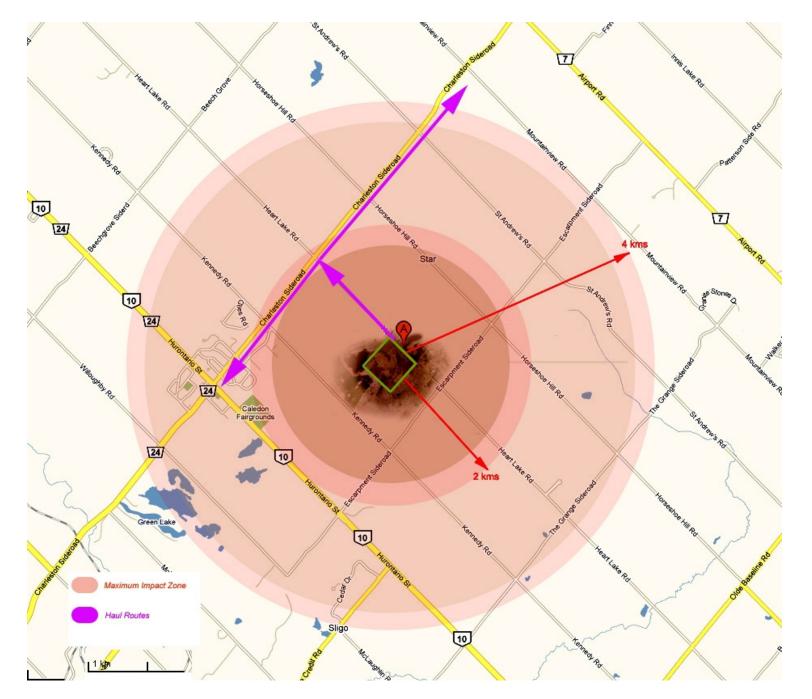
25. Murray Group Ltd. /Part of Lots 2 and 3, Concession 3 EOGR, Park Lots 1, 2, 3, 8 and 9, Pat of Park Lots 7, 10, 11 and 19, Part of Road Allowance, Plan 140, former Township of Pilkington, in the Township of Centre Wellington	2004	40 ha	Category 3 – above water	350,000
26. M.A.Q. Aggregates Inc. / East ½ Lots 12 & 13. Concession 8 (Old Orillia Township) TOWNSHIP OF SEVERN	May 5, 2004	81 ha	Quarry below water EBR # IB04E3037 approved Nov/23/2009	1,000,000
27. St. Mary's Cement / 11th Concession Rd E Milburough Line, Lots 1, 2 and 3, Concession 11, Flamborough, Hamilton CITY OF HAMILTON	May, 2004	157 acres	Quarry below water EBR # IA06E1293 MZO&DPI April 2011	3,000,000
28. James Dick / Rockfort / Part of Lots 1, 2, and 3 Concession 6, W.H.S, former Township of Caledon	March 4, 1998	89 ha	Quarry below water EBR # License denied November, 2010	1,000,000+

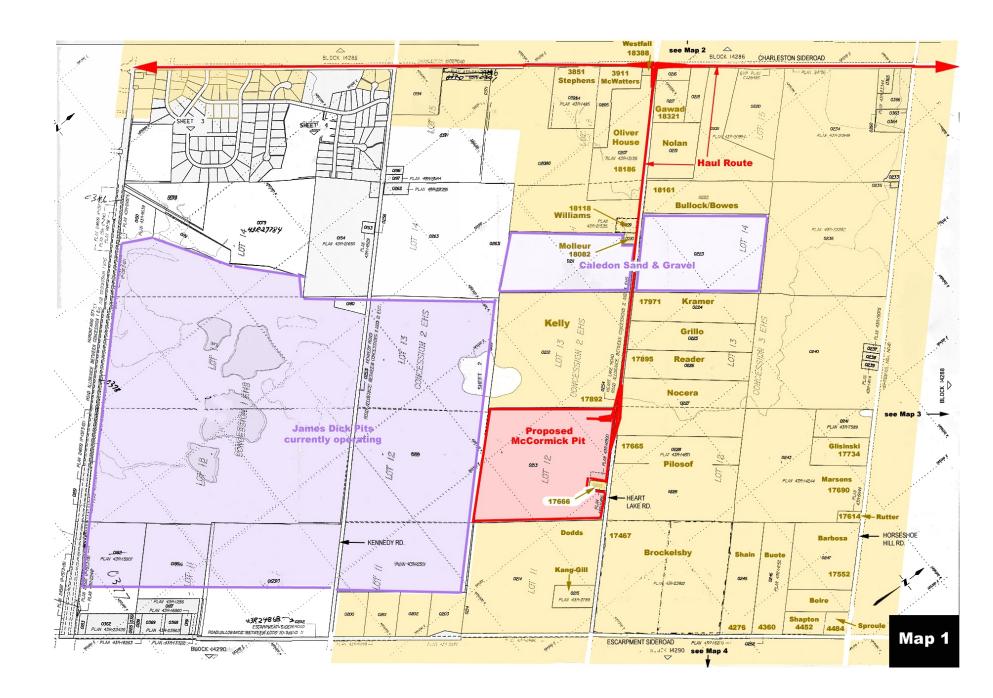
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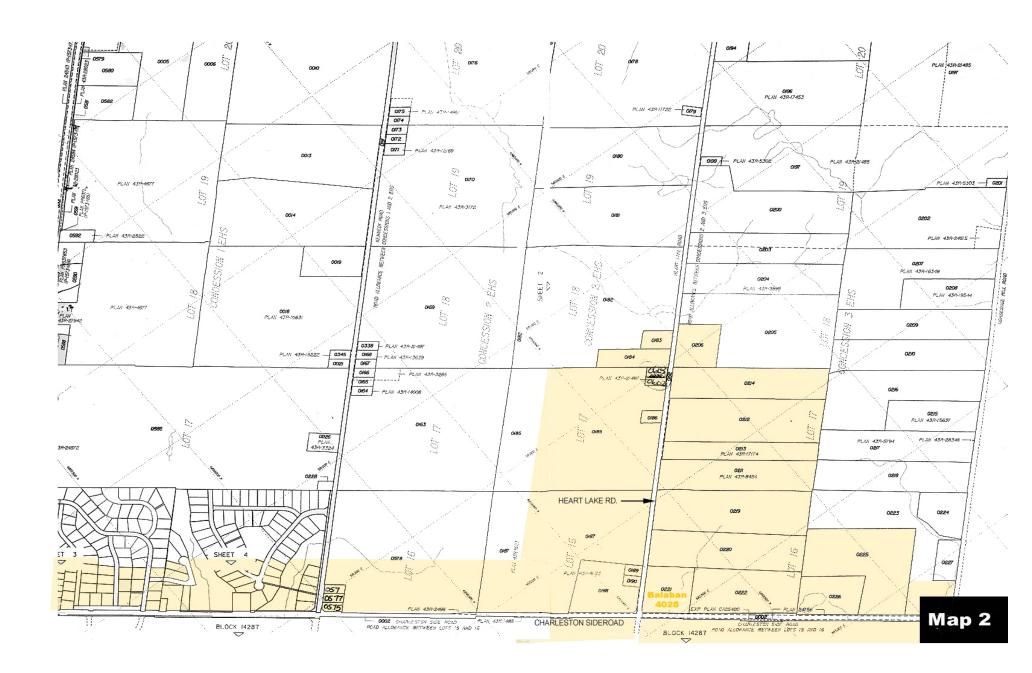
# 2009-2011

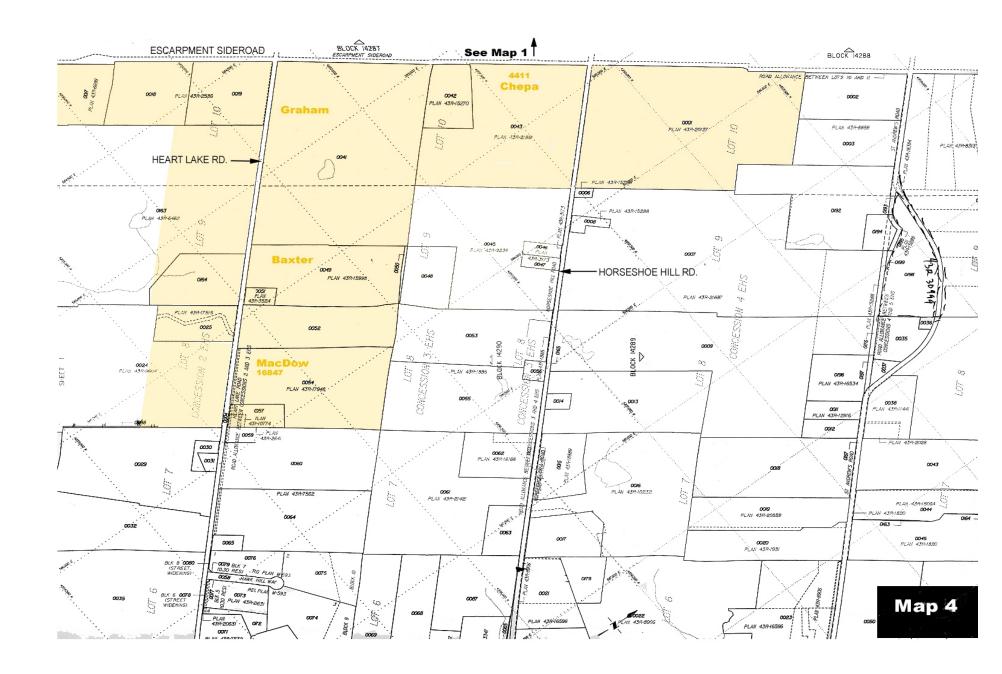
	Med Charty Of		166		thir autom		Assessment	Assessment	
	Street Name	LSC	DOM	List Price	Sold Price	Sold Date	2008	2011	Notes
3851	Charleston Sideroad			989900					Listed summer 2010, unable to sell
4573	Charleston Sideroad				418000	08/04/2011	414000	407000	
4211	Charleston Sideroad				940000	06/28/2010	434000	421000	
3274	Escarpment				690000	07/09/2009	694000	670000	
5231	Escarpment	Sc	12	619000	605000	10/19/2009	616000	589000	
6	Fernway Crt				487000	12/15/2010	490000	468000	
3879	Grange Sdrd				967500	08/02/2011	414000	404000	
3879	Grange				935000	07/16/2010	414000	404000	
16609	Heart Lake Rd	Sc	13	759000	731000	09/15/2011	678000	653000	
16609	Heart Lake	New	55	789000			678000	653000	
16770	Heart Lake				512000	06/01/2009	535000	521000	
16819	Heart Lake				569000	08/30/2011	392000	387000	
17666	Heart Lake						481000		see APPENDIX "A" & "B"
17971	Heart Lake Rd.			579,000	500000	10/??/2011	266000		Kramer, home on 25ac managed forest
18161	Heart Lake				670000	06/11/2010	709000	686000	
18118	Heart Lake				840000	06/30/2010	659000	637000	Purchaser unaware of pit, now regrets
18118	Heart Lake				780000	06/02/2009	659000	637000	7
18321	Heart Lake				900000	07/22/2011	973000	959000	see APPENDIX "J"
18500	Heart Lake				502000	04/28/2011	552000	525000	
18655	Heart Lake				908000	10/16/2009	821000	794000	
18774	Heart Lake		15	729915			668000	636000	
18774	Heart Lake	New	63	744915			668000	636000	
17070	Horseshoe Hill				555000		118000	111000	
17088	Horseshoe Hill				1050000	12/01/2010	701000	676000	
17768	Horseshoe Hill				630150	09/30/2011	552000	540000	
18095	Horseshoe Hill				1397500	07/31/2009	595000	556000	
18204	Horseshoe Hill				521000	01/11/2010	429000	424000	
18442	Horseshoe Hill				330000	10/30/2009	385000	357000	
18681	Horseshoe Hill				590000	08/05/2011	633000	607000	

18794	Horseshoe Hill				842500	12/21/2010	946000	942000		
19155	Kennedy Rd	New	6	449000	450000	09/07/2011	547000	532000		
18126	Kennedy				470000	05/03/2010	411000	404000		
18304	Kennedy				250000	11/01/2010	372000	368000		
18466	Kennedy				614000	06/18/2010	573000	547000		
5	Red Cherry Crt				440000	11/19/2010	433000	410000		
16808	St Andrews				665000	04/01/2010	937000	847000		
17204	St Andrews				996000	09/16/2010	874000	835000		
17677	St Andrews				419000	09/23/2011	669000	647000		
17728	St Andrews				670000	01/22/2010	725000	669000		
17961	St Andrews				445000	10/30/2009	471000	466000		









From: libra@libradentallab.ca

To: <br/> <b

Subject: Re: McCormick Pit Heart Lake Rd.

Date sent: Thu, 07 Apr 2011 14:44:40 –0400

Hi Bob,

When Tony and I decided we were buying the home on Heartlake Road, we always drive around the area to see the neighbors etc. We actually stumbled across the application sign as we were driving. My agent, nor did the selling agent ever mention it. I googled the Blue lands farm and everything started to come up on the Internet including your site PitSense. I was convinced I had to make sure there was no chance the pit was going in. The truck traffic was a huge deterrent, as well as the environmental impact. Right away I called the Township of Caledon, spoke to the department that informed me that unfortunately the land in the Heartlake area is zoned for extraction. I then called the Ministry of Natural Resources in Aurora, Ontario, they also told me the study on the area is going on and that in fact, the land on Heartlake is zoned for extraction. I ended up contacting the Caledon Councilor Doug Beffort. I first spoke with his partner, she was so kind to take the time to explain and informed me of everything. Then Mr. Befford was very kind to quickly respond because our offer was already in on the house on Heart Lake and they were waiting for a sign back. We were so upset to pull out of the deal, we actually went back one more time about 3 weeks ago and ended up at the Caledon Honey Farm and spoke with family, they informed us on the possibility of more land that was purchased for quarry purposes even closer to the house we wanted to buy. So unfortunately we decided to pass on the area and home altogether. I also spoke to the owner of the Oliver House this was when I first started investigating and she told me in her own words, "the pit is squashed." that gave me some hope, but was not the reality. The list goes on of everyone I contacted and the more people I spoke with the more discouraged we got. Any help we can be in the future, let us know!

Thanks! Marisa



March 25, 2011

Mr. Don MacDow

Hello Don,

I have been asked as a Real Estate broker of 46 years whether the proposal for a gravel pit that would surround 17666 Heart Lake Rd., would have any financial impact on this property. I believe that the market value of this property is immediately reduced dramatically. The threat of such a pit receiving approval would cause the value to fall to the range of \$100,000 to \$200,000, if a buyer could be found at all.

I am constantly told in no uncertain terms by perspective purchasers that they will have nothing to do with a gravel pit nor the truck traffic it generates nor the constant BEEP, BEEP emitted by the trucks as they and the heavy machinery are backing up day in and day out. The potential of having trucks coming and going every two minutes is simply horrendous, especially in an area surrounded by country estates!

The severity of the situation that could take place on this property was dramatically underscored by RECO, the agency who oversees the real estate business. About three years ago an agent forgot to tell the purchasers of land in Caledon that there was a working gravel pit close by. The agent was heavily fined.

In its present status with the gravel pit application pending, the property is unsalable.

If a gravel pit was not approved surrounding this property, today's property value would be \$ 550,000.00.

Pegarde

Jamie Gairdner,

Broker of Record, Gairdner & Associates Real Estate Ltd

erin caledon hockley mono mulmur king 122 Main Street, Erin ON NOB 1TO | tel: 519-833-2879 | fax: 519-833-2878 | 1-888-833-2879 www.gairdner.ca

APPENDIX "F"



#### Good Afternoon

As per your request please accept this letter as my opinion of value regarding the property known as 17666 Heart Lake Road, Caledon.

I have actively been selling real estate for 25 years and in particular, 16 years selling primarily country properties in Caledon and the surrounding areas. It is my opinion that 17666 Heart Lake Road is currently valued at approximately \$550,000.00 However, should a gravel pit be approved which would encompass this property the value will drastically change. This property will suffer an extreme stigma and buyers will be unlikely to entertain a purchase of this property at any reduced price. I feel that this property will be of value to the operator of the gravel pit and they will probably not pay today's current value but rather the new value after impact of a neighbouring pit.

Due to the pending application of the proposed gravel pit, this property is not sellable.

Heather Stimpson Sales Representative

RE/VEX Realty Specialists Inc., Brokerage	
☐ 6850 Millicreek Dr., Mississauga, ON L5N 4J9 Bus: 905-858-3434 Fax: 905-858-2682 ☐ 4310 Shervoodtowne Blvd., Mississauga, ON L4Z 4C4 Bus: 905-272-3434 Fax: 905-272-3833 ☐ 45 Bramalea Road, Suite 102, Brampton, ON L6T 2W4 Bus: 905-456-3232 Fax: 905-455-7123	
Accounting Department, 6850 Millcreek Drive, Mississauga, ON L5N 4 Independently comed and operated. Not intended to solicit Buyers and Sellers currently under contract with a Broker	J9 Bus: 905-858-3434 Fax: 905-858-7898



November 25, 2011

#### Dear Steven;

As a licensed broker, it is my duty to inform clients of potential pitfalls that I am aware of which may adversely affect the value of a property. With respect to properties in the vicinity of the McCormick Pit, I routinely send clients to the Pitsense website to familiarize themselves with issues related to gravel pits. Subsequent to becoming informed citizens with respect to the McCormick and James Dick properties, 90% changed their mind from "what a great opportunity to buy" to "this is not a place where I want to invest my money".

I had 22 calls from people who wanted to see the property at 18161 Heart Lake Rd. but after our discussions and disclosure of the required information, 20 of them said forget

Coincidently there were 22 showings as well, and they all got the same information on site. The result was very depressing. I received at the beginning a verbal offer of \$125,000 below asking. All the people were very concerned about the pit proposal, the haul route, and the fact that James Dick owned neighboring property to the south. Even though there has been no application regarding the Dick property, his ownership plus the current application with respect to the McCormick Pit at 17600 Heart Lake Rd ultimately drove everybody away. The threat of future pits is too much for them to risk.

The owners dropped their price by \$80,000. Even still it did not sell. The owners ended up renting it out for a year.

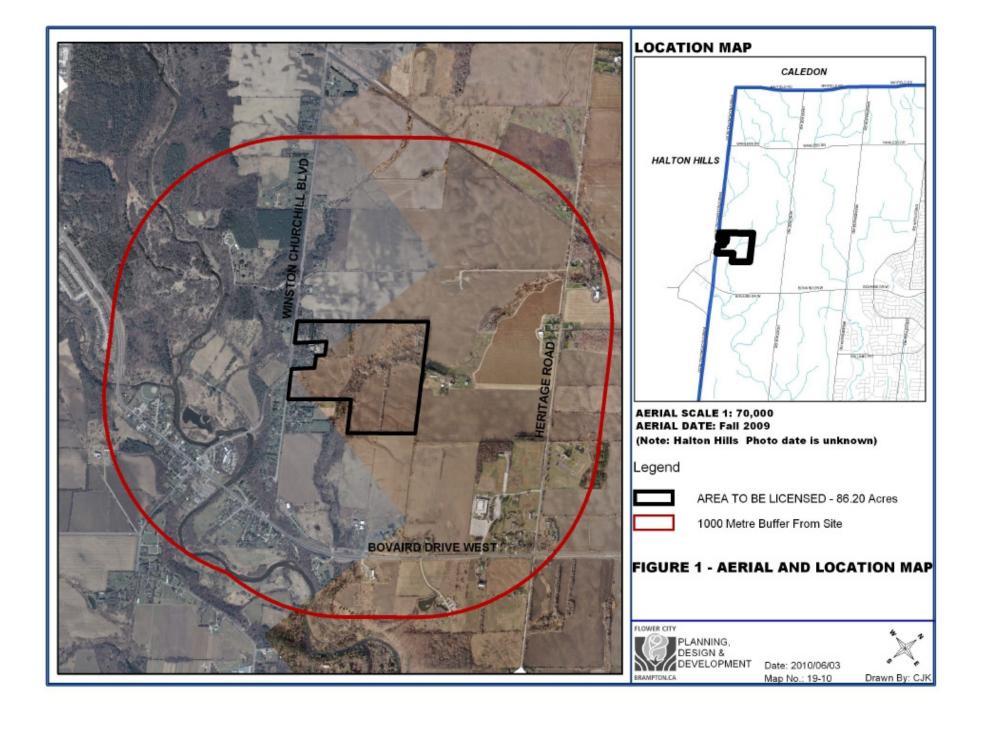
This was a particularly unfortunate experience. Jamie Spirdner

Jamie Gairdner /

Gairdner & Associates Real Estate Ltd, Broker of Record

122 Main Street, Erin ON NOB 1T0 | tel: 519-833-2879 | fax: 519-833-2878 | 1-888-833-2879

APPENDIX "H"



From:"kathryn ellis" < kellis@xplornet.com > To: < bshapton@gmail.com >

Subject: Gravel Pits affect on Real Estate Sales
Date sent: Fri, 18 Nov 2011 14:37:56 -0500

Dear Mr Shapton:

I have been an agent for over twenty years and have work extensively in rural areas. I was quite involved in the Coalition of Concerned Citizens in their fight of the Rockfort Quarry. I was also trying to sell real estate in the vicinity of this potential pit. Having a potential pit or a pit in the area of any real estate not only affects value of the property but saleability. There are very few buyers willing to purchase a property that has a negative site influence as devastating as a pit or quarry nearby. Noise, Dust, unsafe busy roads, backing up trucks starting as early as six in the morning (with the beeping sound), who wants to live near those conditions?

Anyone living near these conditions deserves some sort of compensation, they basically carry the grief for all the industry and people needing aggregate. There is a terrible disparity between the rights of the aggregate companies and the homeowners and landowners they negatively affect.

Respectfully yours

Kathy Ellis
Johnson Associates Real Estate Ltd. Brokerage
247 Guelph Street
Georgetown, Ontario L7G 4A8
cell 416 816 4446
905 877 5165
kellis@xplornet.com www.kathyellis.ca

November 18th, 2011

Ms. Janet Kuzniar

Dear Janet,

As a realtor for 27 years, I do believe that the value of homes bordering or surrounding a proposed or existing gravel pit is affected. Depending on the size of the project, the most evident affect on surrounding properties would be the increase in truck traffic, the increase in noise, the change in the environment caused by dust and debris and the unknown issues such as the change in the water table affecting the wells, the recovery rate of the well water and the quality of the water. These are the most pressing issues and variables that immediately come up when a buyer is viewing a home in the near vicinity and would be red flagged at the home inspection.

More importantly, the real estate industry puts the onus on the realtor to disclose all information within their knowledge that must be provided to any potential buyer as part of our fiduciary duty to the seller and buyer under our agency contracts. This being said, why would any realtor take on the responsibility and liability of such a situation.

Based on the information detailed herein, it is only common sense that the values would be affected, not to mention the difficulties the seller would encounter to secure a firm sale on the property. Should any other issues arise, even after the sale has closed and the buyer has taken possession, the seller and the realtors would take on the whole liability.

Sincerely,

Maria Britto
Sales Representative
Re/Max Realty Specialists Inc., 905-456-3232

October 31, 2011

My name is Cindy Toner and I own my own real estate company, Seller's Choice Ottawa Valley Realty Inc, in Arnprior, Ontario. I have lived and worked in this area for approximately 10 years and I think I have a good knowledge of what is happening in the community in many things including the Miller (former Smith) quarry in Braeside.

Over the past few years the quarry on Usborne Street has affected the sale of properties neighbouring it. I have showed a number of the properties and always mention the fact the quarry is in close proximity and that there could be issues that may affect the property in the near future-namely chance of an asphalt plant being installed on the quarry property. Not one potential buyer was interested in pursuing any of these properties and was not interested in living in the area at all after that.

I have also completed a few Comparative Market Analyses for sellers that were considering selling in the area of the quarry. I always mention how the quarry negatively impacts the sale price. One potential seller decided to stay until things calm down and the others have tried other agents. I have no way of knowing but can only hope that the agents were aware of the quarry as this was the only factor that negatively impacted the sale price. There is no doubt in my mind that the sellers were well aware of the quarry and the impact. It is interesting to note that two properties bordering the quarry property have sold and in both cases the listing and selling agents were not from this area. Three other properties remain unsold from May of 2008. I looked up all properties that have sold on mls in McNab/Braeside since the beginning of 2011-the average days on the market (from listing to sale) were 54 for the area. The average days on the market for the entire Ottawa Real Estate Board for 2011 were 35 from Jan 1 to Sept 30 2011. Two of the three are executive homes of good size and quality of construction on beautiful and expensive large lots. By the time you factor in cost to build per square foot and the lot they have to be losing money based on asking price. Makes you wonder!

I myself have had experience with the quarry in Braeside as I once lived almost directly across from it on Usborne Street until the fall of 2004. There was the occasional blast which caused our windows to rattle, plenty of dust and dump truck traffic until freeze up. We were not concerned at all about any of this we found our place a peaceful place to live. There was no talk at that time of an asphalt plant and the quarry was only used seasonally to produce aggregate products. Now each time we pass by our old home we thank God that we moved when we did because there would be no way we would have sold our property unless we significantly reduced the price. These days people are very environmentally aware and the close proximity of any house for sale to an asphalt plant is not a good thing for sure. If you can even find a buyer willing to buy you can bet the seller will take a huge hit in their wallet when things are said and done. The old adage "LOCATION, LOCATION, LOCATION" in real estate is so true!!!

Cindy Toner

Broker/Owner Seller's Choice Ottawa Valley Realty Inc.

#### **APPENDIX "M"**

## 8. RE: How gravel or sand pits will affect property values

Written by: Daniel Stewart

Oct. 18, 2010

I am a real estate agent in Quebec. I have sold properties with deposits of gravel and sand and sold homes near quarries and mining areas. The value of land holding deposits can be very high since there is a huge amount of profit to be made from the re-sale of these materials. For homes nearby the pit, it is a much different story. It is much more difficult to sell a property near a quarry due to the noise and traffic. Nobody wants to have a constant flow of dump trucks passing in front of their property, especially not if you have pets and/or children. Normally trucks and excavators will not be in operation on weekends so at least you have some peace and quiet when you are off from work, but if you work from home you will not be pleased. I cannot say an exact percent of how much your property value will decrease, but it will definitely decrease in value. The amount will vary greatly depending on your actual proximity to the pit and the location of your property (town, state) In a city where the market is in good shape, the value will be less affected. In response to the comment written by Jake; most quarries will remain in operation for 30 + years and they are usually owned privately. In order to benefit from a body of water you would need to wait at least that long for them to stop harvesting the materials, then the town would need to propose a rehabilitation project to make the area safe for the public and either grant a public use for the area or notarize water rights to property owners in proximity of the area. I'm guessing you live nearby an old pit that you are able to fish/swim in. This scenario is extremely rare, and unless you plan to live a couple hundred years old the, the potential and unlikely results you describe are not worth the initial value loss or the time it takes to benefit.

April 12, 2010

Madame Chair,

Hello, my name is Jamie Gairdner. I have been a real estate broker for 46 years. I have been accredited as an expert witness three times by the judicial court system in Ontario in 3 different actions. I am a broker and for 30 years I built and owned Johnston & Daniel Real Estate into a major business in Toronto and area.

I am here strictly as a concerned citizen and am not being paid directly or indirectly by any person or any company. I live at 16436 Shaws Creek Rd. and The Grange Sideroad.

I am told daily by prospective buyers that under no circumstances am I to show them any properties that are close to a gravel pit, have hydro lines running through them, or a garbage dump close by. It is a fact that the stigma attached to the possibility of the pit opening has already affected the real estate market dramatically in this part of Caledon, evidenced by the lack of sales in the area.

About five months ago, I was showing a property on Shaws Creek Road to a woman who promptly asked me how close the property was to the proposed Dick Pit. I told her it was 2 kms. away, whereupon she turned on her heels and said that she was out of there. I promptly challenged her and asked why she was leaving. She said that a friend of hers had built a lovely \$1.2 million dollar house in Adjala and a year later Mr Dick's company received permission to construct a gravel pit next door and "today the house is worthless and cannot be sold at any price".

At a general public meeting with the Town of Caledon staff and Councillors of the County of Peel I recommended that if the Dick Pit was approved that Dick and Co. put up 100% of the value of the houses within the first 100 meters of the boundary of the pit, 95% of the value of the houses within the next circle of a hundred meters and follow this practice right out to within 5 kilometres of the pit.

This is because, we, as property owners never asked for this monstrosity in our back yard, nor do we look forward to the increased truck traffic where there isn't any now, nor do we deserve to have both our wells and ponds run dry or lose our fish. And not least of all will be the horrible change in the countryside associated with the digging and blasting over the next 40 years. We certainly won't be riding our horses like we do nowadays anywhere near where there is going to be blasting and dust and trucks blowing their air horns. Imagine 1500 trucks a day going by where there aren't any today. Have you ever ridden a horse when a truck passes by and blows his air horn? I have and it is the scariest thing you could ever imagine while riding a horse and they do it on purpose.

This is a beautiful residential country area; a pit will dramatically affect hundreds and hundreds of people financially and emotionally. This may be an overstatement; however we all know that the initial outlay will have a substantial increase in the value of the property of \$400 million as soon as the permit is issued. The operator has calculated the size of his gain. It is very easy to calculate the monetary loss to his neighbours and it is not unreasonable to suggest that the winner compensate all losers at the time that they lose the value in their real estate and not when somebody else decides when and how much they will be compensated. This is a crisis in timing that will greatly affect the homeowners should it not be addressed now. If we have a negative sum gain and the rational is proven, it is ludicrous that a dolomite pit should be allowed. A company does not have the right to benefit financially while taking away their equity and then their ability to pay the mortgage, i.e. their pension. It is estimated that there are 168 homeowners within 5 kms. of the pit, which means more than 500 people will be directly impacted to the negative.

Once the statement has been made that the pit has been approved, the banks, in my opinion, will require new appraisals and begin downgrading the mortgages already in place, therefore, forcing people who have lost their equity to sell their properties into a contaminated real estate situation. It is

inconceivable to everybody that such a scary enterprise, without any viable proof, could be allowed to happen in a built-up area. Our assets should not be exposed to an experiment. The perceived loss of water in wells and ponds will dramatically affect the value of the real estate immediately and in the long term.

The wrong decision made here will, in my opinion, affect hundreds of people for many, many years and they would not have any recourse. The last point of interest is that most of the appraisers will likely call me, and people like me, which they presently do weekly because over the years we have sold many properties and are intimately aware of the assets of those properties. Those appraisers will ask what the property was worth before the approval of the pit was given and what it is worth now. My answer, in most cases where a mortgage is involved, would be by 50% up to 100% less, depending on the size of their mortgage and closeness to the epicentre of the pit.

In closing, as stated by Martin Shane S.J.D. in Pits and Perils: A Rational for the Precautionary Principle, "The precautionary principle (according to the Wikipedia definition) states that "if an action or policy has a suspected risk of causing harm to the public or to the environment, in the absence of scientific consensus that the action or policy is not harmful, the burden of proof that it is *not* harmful falls on those who advocate taking the action."

This principle allows policy makers to make discretionary decisions in situations where there is evidence of potential harm in the absence of complete scientific proof. The principle implies that there is a social responsibility to protect the public from exposure to harm, when scientific investigation has found a plausible risk. These protections can be relaxed only if further scientific findings emerge that provide sound evidence that no harm will result.

"Clearly, for example, there are grave scientific concerns about the impact of aggregate extraction on water resources such that the precautionary principle would urge far greater caution than is currently exercised in the practice of mining sand, gravel and other mineral resources."

I have enclosed the article from Martin Shane as Exhibit A. Exhibit B is "the Wealth of Nations" exhibited by Steven Chepa. Exhibit C is "Excerpts from Planning Report 96-36". Exhibit D is "The Potential Financial Impacts of the Proposed Rockfort Quarry." By C4SE, the Center for Spacial Economics, Febuary 2009.

I thank you for your time and attention.

Jamie Gairdner, Broker of Record

GAIRDNER & ASSOCIATES REAL ESTATE LTD.

## **Brampton Brick Quarry**

On March 11<sup>th</sup>, 2010, I met on site with *Mr. Brad Cobbledick*, Technical Director (the defacto manager) of the Brampton Brick Cheltenbam Quarry on Mississauga Road. There has been some reference in the hearing to the Brampton Brick Quarry and the implication that it may be analogous to the existing proposal. Having worked in the aggregate industry managing the purchase, development, operation and rehabilitation of 7 sand and gravel operations over a period of 14 years, I felt qualified to report on the shale quarry operation in contrast to the existing proposal.

I concluded the shale quarry operation is almost benign as compared to the proposal before the Board. I base my conclusion as the following observations and details:

- 1. The shale is removed with a ripper (no blasting) and is stockpiled.
- 2. The moisture content of the shale is 6 ½.7% and there is no water infiltration along the face of the quarry as we walked along the excavation face the exposed shale did not even stick to our boots.
- 3. There is no requirement for water management as the shale is virtually impermeable and the only water that requires any management at the shale quarry is rain water or snowmelt.
- 4. The primary crusher and loading all occurs indoors, hence there isn't any noise or dust issues. The only dust management is from any road surface dust emanating from the truck traffic.

- 5. There is no weigh scale on site.
- 6. There are only 3 truck trips per hour and the hours of operation are from 7:30 a.m. to 5:00 p.m. Monday through Friday (never on Saturdays.)
- 7. The site is about 1/3 rehabilitated with hydro seeding and because of the lack of water the rehabilitation plan is being changed from a pond/lake to reforestation.
- 8. The site has been used for production of bricks for nearly 100 years and some of the old kilns are still standing beside the abandoned railway right of way.

## **Municipal and Agency Decisions**

I attended all the meetings of the councils and agencies when this matter came before them for consideration. The Town of Caledon, Town of Erin, Region of Peel, County of Wellington, and the Niagara Escarpment Commission all voted unanimously to reject the application and opposed the approval before this Board.

I attended the Credit Valley Conservation Board meeting held on February 20<sup>th</sup>, 2009 at the CVC administration office in Mississauga and I believe it is important to note and for this Board to know that after the presentations by JDCL, the Coalition, the staff of CVC and an impassioned plea from *Greg Sweetnam*; there was discussion among the Board members and questions to Staff taking into consideration the necessity and importance of aggregate resources in the area –hence there wasn't a totally one–sided approach or slanted consideration to the deliberations. The vote by the Board members after deliberation was unanimous.

## LAND VALUE IMPACT

The impact on land values in the area of the proposed quarry will be significant for two reasons – marketability and encumbrances. The marketability will be impacted because a quarry along with a landfill site and high voltage power lines are the largest single disamenities in real estate. In my experience (30 years with Real Estate Business) fully 50% of the potential buyers will say "Don't show me a property that is near or close to one of these disamenities." After viewing the area another 50% will say we're not interested because of that particular quarry etc. Therefore you have a reduced your market pool by 75% and hence greatly diminishes your ability to command what would otherwise be a fair market price for the property.

Statistically, the sales that have occurred in the area of the quarry this year are taking 5 times longer to sell (average days on the market: 147 vs. 31 or almost 5 times as long.) Toronto area generally is 20 days on the market.

The second factor (encumbrance whether registered or contractual) would relate to those properties that are being monitored or whose water systems are being maintained by the operator. These represent huge **RED FLAGS** to purchasers and would make any of those properties virtually unsaleable.

Under the new ethics rules, on all Real Estate Representatives; disclosure is mandatory, hence any attempt to avoid the true characterization of the situation would render those involved liable to the consequences.

Prices are showing an effect as well in the area of the quarry selling for an average of 92% of the listing price vs. 99% outside the area and 99% for the GTA generally. In Summary, we are already seeing an impact on Real Estate Sales on those properties and they are selling for less than the general trend in the GTA and taking much longer to sell. Approval would only increase the negative impact on real estate values. This does not address the issue of the *homeowner* whose home is their major investment vehicle and retirement fund. The *homeowner* has worked many hard years paying off a mortgage and building equity in their home only to see it virtually wiped out if approval of the quarry is granted.

## **Fractured Ownership**

A title search shows that there are 3 separate legal entities that own the proposed land that is the subject matter of this proposal. While the proponent may have some justification for this fractured ownership pattern, the question is raised as to whose name is the licence to be issued in; and the relationship between the parties.

I know from experience the MNR is concerned if the licence holder is not the owner without an agreement in place that assures long term access to carry out the terms and conditions of the licence. I hope the Board is concerned as well; so if a dispute arises among the individual owners of these properties there is no opportunity for legal "dodge -ball" to develop. In addition I would hope it would be of concern to the Board that the ownership whomever they may be, has the administrative and financial capacity and capability to carry out any order or conditions this Board may impose.

Mr. Bob Stanley, Broker, Tina Klein Real Estate Services Inc.

## LIZ SHAUGHNESSY AND ASSOCIATES

December 9, 2011 PitSense Niagara Escarpment Group Inc. Attn: Bob Shapton

Re: Quarry Designation near Residential/Rural Property

My husband, Martin Headland, and I are both residents of Caledon with a small horse property (17 acres) outside of Palgrave.

My family, including my mother, still live in Caledon West. For several years we have been considering a move closer to our family. We heard about a power of sale property on Heartlake Rd. just south of Charleston Sideroad.

We arranged a visit and felt that, with major renovations, it would be perfect for us, our horses...and, most important, the proximity to my family.

We were prepared to make an offer, but fortunately learned vicariously that a potential quarry was being considered just south of the property. We did follow-up and the "rumour" was confirmed: a quarry was being considered.

We immediately reversed our consideration of the property...which we were prepared to massively renovate & landscape. We know that the viability of the project, in terms of fair market value, would be negatively impacted by the proximity of the potential quarry.

A shame really, as the property would have been perfect for our horse farm and would have provided substantial employment for local contractors for design, renovation and landscaping.

Best regards,

Liz Shaughnessy and Associates 16644 Mount Pleasant Road

Caledon, ON L7E 3M7

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905-880-8053