



News Release

October 1, 2014

HISTORIC JOINT VENTURE WILL BRING NEW LIFE TO THREE VANCOUVER PROPERTIES

VANCOUVER - COAST SALISH TERRITORY – The Musqueam, Squamish, and Tsleil-Waututh Nations and Canada Lands Company, announced at a news conference today that they have completed the acquisition of three former Government of Canada properties in Vancouver.

List of properties can be found at the end of this release.

The Nations and Canada Lands Company also announced an historic joint venture partnership that establishes an equal ownership interest in the lands with 50% collectively held by the Nations and the other half held by Canada Lands.

The agreement will also see the joint venture partners working side-by-side with the local communities and municipalities to establish new visions for each of these sites.

As an initial step, the partners will complete their due diligence with a series of studies that will provide a thorough understanding of each of the three properties, followed by the launch of an extensive consultation process in conjunction with the City of Vancouver and District of West Vancouver that will provide local communities and the general public a forum to discuss ideas and views about the future of the sites. The consultation process is anticipated to begin in the new year.

There are no preconceived plans for these sites; the partners are starting with a blank slate. Consultations and engagement will begin, plans prepared, support and approvals sought, and finally the sites will be developed over a number of years.

Quotes

Robert Howald, Executive Vice President of Real Estate at Canada Lands.

“We are incredibly excited about today’s announcement; all parties involved have put in a tremendous amount of work over the past few years to make this news possible. Today is the culmination of great partners working together closely, and everyone at Canada Lands, myself in particular, are honoured to be part of this innovative collaborative effort with the Nations.

“These are important properties and we will take the time necessary to develop a well thought out plan that will meet the desire and needs of the municipalities and the local communities. We have much to do. We are looking forward to starting.”

Chief Wayne Sparrow, Musqueam Indian Band

“The Musqueam Indian Band working with the Squamish and Tsleil-Waututh Nations has worked very hard with the Federal Government and Canada Land Company to come to a partnership for the ultimate development of these important parcels of land in Vancouver and West Vancouver. Musqueam has a strong relationship with the City of Vancouver which is reflected in our recent work in the development of Service agreements with the City. This latest development partnership again demonstrates the growing strength of our First Nations in the lower mainland taking back our rightful place in advancing the economy of British Columbia. We look forward to working with all our partners and the communities and neighbours to ensure the best possible developments occur on these properties.”

Chief Ian Campbell, Squamish Nation

“Each of our respective Coast Salish First Nations are independent and sovereign governments that have deep cultural and family connections that span millennia. Having the wisdom to see the strategic benefits of working together, the three Nations entered into a historic protocol agreement that celebrates cultural and family connections and outlines the practical mechanisms for equally sharing economic benefits arising from crown land sales occurring within the Nation’s shared lands. Building on our Nation’s protocol, the new Joint Venture with Canada Lands builds stronger relations with Canada and our communities. ”

Chief Maureen Thomas, Tsleil-Waututh Nation

“Today is a new beginning. The vision of our past leaders from all three Nations has brought us to where we are today. It is through their tireless efforts, commitments and teachings that we are able to reach this historic milestone. Although today is about the future, we must acknowledge our elders for reminding us who we are and where we come from. As a next step, we are looking forward to working with our joint venture partners. We will seek to create substantial and sustained economic and social benefits for our Nation members, local communities and the country as a whole”.

Properties

Jericho Lands

The Jericho property formerly owned by the Department of National Defence is approximately 52 acres (21 hectares) and located in the West Point Grey neighbourhood of Vancouver. The property is bounded on the north by 4th Avenue, Highbury Street to the east, 8th Avenue to the south.

Heather Street Lands

This is a former Public Works and Government Services Canada property and is 21 acres (8.5 hectares) in size located on Heather Street between West 33rd Avenue and West 37th Avenue.

4165 Marine Drive

This is a former Department of Fisheries and Oceans property and is approximately 5 acres (2 hectares) located on Marine Drive near Burkehill Road in West Vancouver.

About Canada Lands Company

Canada Lands Company is a self-financing federal Crown corporation whose sole shareholder is the Government of Canada. Its role is to optimize the economic and community value obtained from former government properties. It is also a demonstrated leader in tourism management with its operations of the CN Tower in Toronto and the Montréal Science Centre.

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Highlights

On September 30th, 2014 Canada Lands Company, along with the Musqueam Indian Band, Squamish Nation and Tsleil-Waututh Nation announced that they have completed the acquisition of three former Government of Canada properties located in Metro Vancouver. These properties are the Department of National Defence's Jericho lands, the Public Works and Government Services administered Fairmont Complex on Heather Street, and Department of Fisheries and Ocean's vacant lands on Marine Drive across from its West Vancouver Laboratory.

Jericho Lands

Approximately 52 acres (21 hectares) and located in the West Point Grey neighbourhood of Vancouver. The property is bounded on the north by 4th Avenue, Highbury Street to the east, 8th Avenue to the south.

Heather Street Lands

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4165 Marine Drive

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Government of Canada Disposal Process

The processes and stages of a disposal are set out in the TB Treasury Board Directive on the Sale or Transfer of Surplus Real Property – see link: <http://www.tbs-sct.gc.ca/pol/doc-eng.aspx?id=12043>

Financial Details

Two agreements were entered into:

- 1) Agreement between Canada and the three First Nations where the First Nations will have a 28% beneficial interest in the business arrangements and economic development achieved from these lands.
- 2) Agreement between Canada Lands and the three First Nations where the Nations purchased an additional 22% interest in the lands directly from Canada Lands.

The agreement stipulates that Canada Lands and the three First Nations will develop the sites as partners. Canada Lands and the three Nations combined hold an equal interest in the sites. Canada Lands will act as project manager and oversee the redevelopment of the sites as well as the property management. Major decisions will require the approval of both partners.

The Government of Canada sold the properties for:

Jericho - \$237,000,000
Heather Street - \$59,200,000
Marine Drive- \$11,000,000

These prices reflect the negotiated market value and includes the value of the First Nation's 28% interest.

Based on the agreed total value of \$307,200,000, the 28% partnership interest provided by Canada to First Nations has an estimated value of \$86,000,000. The additional 22% interest the First Nations purchased from Canada Lands has an estimated value of \$68,000,000.

Tenants

Jericho – the Department of National Defence operations will remain onsite until December 2015.
Heather Street – the RCMP will remain in one building until 2019.

Next Steps

- Along with its partners, Canada Lands will introduce themselves as soon as possible to the city and district, as well as local communities and begin the assessment of the most appropriate forms of consultation toward acquiring the necessary municipal plan approvals.
- The joint venture partners will continue to familiarize themselves with the properties and complete a thorough process of analysis.
- A public engagement process will be launched in the new year.

Timeline

This process is very much in its early days; there are many steps to complete over a number of years before the transformation of these properties will be complete.



About Canada Lands Company

Location

Canada Lands Company (Canada Lands) is headquartered in Toronto, with offices in Chilliwack, Calgary, Edmonton, Ottawa and Montréal.



Corporate Overview

Canada Lands is an arm's length, self-financing commercial federal Crown corporation and reports to the Parliament of Canada through the Minister of Public Works and Government Services. The company pays all taxes to all levels of government and is subject to all municipal and provincial legislation.

About Canada Lands Company

As a Crown corporation, we strive to be an important resource to the Government of Canada, and be recognized as pre-eminent in our field. Canada Lands provides innovative solutions to complex real estate challenges, leadership in attractions management, as well as value and a sense of legacy to every stakeholder.

Canada Lands Company's Commitment

Canada Lands understands the need to build strong and sustainable communities where families can live, work and play. Our commitment to meet this need has been one of the key elements of our success since 1995.

What We Do

Canada Lands optimizes the financial and community value from strategic properties that are no longer required by the Government of Canada. It purchases these properties at fair market value, then holds and manages them or improves and sells them. Canada Lands is also a demonstrated leader in attractions management with its operation of the CN Tower in Toronto, the Montréal Science Centre, and the Old Port of Montréal. The company's goal in all transactions is to produce the best possible benefit for both local communities and the Government of Canada.

How Canada Lands works

- Consults extensively with municipalities, stakeholders and the public
- Conduct research into market demand and community desires
- Partner with the private sector
- Engage the help of expert resources
- Create projects that are financially viable, enhance communities and create a lasting legacy

Lines of Business

- **Commercial and residential real estate development:** Garrison Village (commercial), Currie Barracks (commercial/residential), Glenlyon Business Park (build-to-suit)
- **Attractions:** CN Tower, Rogers Centre (land lease), Ripley's Aquarium (land lease), Old Port of Montréal, Montréal Science Centre.



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Overview

- Canada Lands Company (Canada Lands) is a federal Crown corporation that optimizes the economic and community value obtained from properties which are no longer required by the Government of Canada. As a commercial company, it pays all applicable taxes to all levels of government, is subject to all municipal and provincial legislation, implements innovative real estate solutions and builds vibrant communities in the regions in which it operates.
- Canada Lands' role is that of master land developer which includes the following activities:
 - engages with the public and municipality;
 - gains municipal approval for its development plans;
 - constructs the park spaces, roads and installs the services; and
 - markets and sells serviced lots to builders. The builders construct the homes and buildings while respecting the approved municipal plan and Canada Lands' design and sustainability guidelines.
- Canada Lands is a self-financing company and all its activities must achieve financial returns. However, profit is not the sole objective; it also optimizes the community value of its assets.

Development Process

- Through its consultation process and an ongoing dialogue with stakeholders, Canada Lands strives to develop a consensus-based plan that merges innovation and sound business practices with community aspirations.
- Canada Lands endeavours to find common ground, where community aspirations, economic development and its commercial mandate can meet.
- Canada Lands' unique consultation process is another element that stands out in the real estate industry. In the case of most Canada Lands projects, company representatives meet with municipal officials, to introduce the company, to establish the community consultation process, and to determine how Canada Lands and the city can collaborate in this process.
- Community consultations may include meetings with community organisations, open house events, and the creation of local advisory committees tasked with gathering comments and input on potential uses for the property. The public is invited to participate and engage in these consultations.
- When Canada Lands acquires a property it does not set plans for it in advance. The company always launches a planning process from the beginning, in cooperation with communities.



- The various phases of the consultation process informs a vision for the site. Canada Lands then drafts a master plan for the property. In keeping with its social responsibility principles, the plan includes key sustainable development principles. The plan is then submitted to the city or municipality for review and approval.
- Once it obtains the necessary approvals, Canada Lands usually proceeds with site servicing. Depending on the site conditions, this may include removal of debris and contaminated soil, resurfacing of existing streets, demolition of dangerous structures and construction of new streets and other municipal services (water and waste management, street lighting, etc.).
- The final phase is the marketing and selling of the property. From beginning to end, the process stretches over a number of years. Canada Lands takes the necessary time to formulate and present a plan adapted to the needs and expectations of the stakeholders, the Government of Canada, as well as its own interests.
- In each of its projects, Canada Lands implements leading edge best practices in urban planning in order to carry out the best uses of the site. The company typically incorporates a mix of uses, including residential and commercial, community amenities and open spaces, while striving to create inviting neighbourhoods where people can live, work and play.

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- Canada Lands is a self-financing company and all its activities must achieve financial returns. However, profit is not the sole objective; it also optimizes the community value of its assets.

Consultation Process

- Once Canada Lands becomes owner of a property it undertakes a comprehensive and open consultation process with the local community which informs Canada Lands' master development plan for the property
 - Canada Lands does not come in with pre-defined plans. The company always begins consultations with communities with a blank slate.
 - Canada Lands works towards finding common ground, to meld community aspirations and economic development with its commercial mandate.
 - Through the consultation process and a continued dialogue with all stakeholders, Canada Lands strives to achieve a consensus-built master plan, incorporating innovation and sound business practices, as well as local community needs.
 - Some specific examples of the community consultation tools used by Canada Lands include: meetings with community organisations, open house events and the creation of local advisory committees in order to gather input as development plans are prepared. Public engagement is encouraged during the consultation process.
 - Through the consultation process, a vision for the site is usually defined. Canada Lands then creates a master development plan for the property based on this vision, incorporating sustainable growth initiatives while considering the needs and aspirations of the community and municipality. This plan is then formally submitted to the local municipality for consideration and approval, as CLC is subject to all municipal approval processes.
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Garrison Crossing, Chilliwack, British Columbia

Since acquiring the site of the former Canadian Forces Base Chilliwack in 2001, Canada Lands Company (Canada Lands) has received sustained, positive support from the local community for its transformation of the former military base and its preservation of Chilliwack's military heritage.

Canada Lands, in cooperation with the City of Chilliwack, has brought many innovations to Garrison Crossing that have increased the environmental, economic and community benefits of this redevelopment project. The project includes a mix of new and refurbished homes and its own retail village.



Garrison Crossing's innovative design approach secured Stage 2 LEED-ND certification under a pilot program led by the U.S. Green Building Council. Canada Lands was particularly proud to receive this certification, as Garrison Crossing broke ground in 2003, years before the LEED-ND pilot program rating system was formally introduced. This recognition validates that the sustainable design approaches applied by Canada Lands then were progressive, industry leading practices that can continue to be applied today.

The company has also found innovative ways to commemorate Garrison Crossing's history. Canada Lands opened the second phase of the Legacy Walk, which combined with phase I features 27 commemorative elements honouring Canada's Armed Forces. The company worked with retired and active military personnel on a restoration plan for Chilliwack's All Sappers' Memorial Park, investing almost \$2 million to restore the cenotaph and revitalize the grounds surrounding it.

Canada Lands also built Chehalis Park as a focal point of the neighbourhood, which takes its name from the Halq'eméylem language of the Sto:lo people, a First Nation that has lived in the Fraser Valley for thousands of years. The park was the inspiration behind the placement of a native-style canoe as a theme element, which features decorative paintings by local artist George Pennier.



Glenlyon Business Park, Burnaby, British Columbia

Located on the banks of the Fraser River and with easy access to Vancouver, Glenlyon Business Park has been transformed by Canada Lands from a former railway property into one of Western Canada's most popular business parks. In doing so, the company has successfully met the challenge of preserving and enhancing the property's unique eco-system while also creating a site that is attractive for both businesses and their employees.

Working together with stakeholders and the City of Burnaby, Canada Lands developed a vision for the property that has created a park-like setting with mature trees, creeks and stormwater management lakes, as well as a wide-ranging trail network to encourage walking and other recreational activities. Canada Lands also played a major role in the expansion and upgrading of Foreshore Park, which is located within the park and provides access to the Fraser River for Burnaby residents. Buildings within the park are set back from roadways and extensive landscaping has been done to make the site attractive.



Since its opening in 1994, companies such as Nokia, Ballard Power Systems, Future Shop, Best Buy and Inex Pharmaceuticals have established offices at the park. More than 2 million ft² (186,000 m²) of office and research space has been created at Glenlyon, which produce not only a strong return on Canada Lands' investment, but also \$9 million in tax revenues annually to the City of Burnaby.

Canada Lands is proud of the work that has been done at Glenlyon and believes that the community will continue to see benefits from the project for many years to come.

Currie Barracks, Calgary, Alberta

Canada Lands' redevelopment of the 450-acre (182-hectare) former Canadian Forces Base (CFB) Calgary represents one of the most complex and innovative urban redevelopment projects in North America.

Over the past decade the company has created two award-winning communities; Garrison Woods and Garrison Green which offer a wide range of residential housing, as well as retail space, seniors housing and community and recreational facilities such as schools, a museum, parks and open space. With these projects finished or nearing completion, the company turned its attention in 2005 to the last and largest of the three sites, the 200-acre (81-hectare) Currie Barracks.



From the beginning, Canada Lands' vision for the former CFB Calgary called for the creation of "walkable" communities consisting of a mix of residential, retail and office space, coupled with parks and outdoor recreation areas.

The goal was to create self-sufficient communities based on principles of smart growth and sustainable community design. By mixing land uses, all three properties will increase the number of jobs available in proximity to new residents and to public transit.



At all three properties, Canada Lands has paid tribute to the property's former use as a military base. Street names and public parks reflect important events in Canada's military history, and public spaces feature commemoratives and interpretative displays related to World War II and the history of the base.

A community consultation program was launched for Currie Barracks in November 2013, and Canada Lands anticipates that a detailed comprehensive plan for the community will be completed in early 2015.

The Village at Griesbach, Edmonton, Alberta

Canada Lands has been one of the most successful pioneers in Canada in taking on potentially contaminated properties and creating safe, sustainable communities. In January 2003, the company acquired the former Canadian Forces Base (CFB) Griesbach in Edmonton, from the Department of National Defence



Located in the north part of Edmonton and bounded by four major roadways, the 620-acre (251-hectare) site housed more than 50 derelict asbestos-containing industrial buildings, and 750 military housing units.

As with all of its former military properties, Canada Lands has paid tribute to the Canadian Forces units that were formerly stationed at CFB Griesbach, as well as various local military heroes. Streets and parks have been named after battle honours and individuals who served in the Canadian military.



Rockcliffe Lands, Ottawa, Ontario

This 310-acre (125-hectare) site offers a rare opportunity to reintegrate a former Canadian Forces Base into its surrounding urban and natural context. Located on an escarpment close to Ottawa's urban core, the Rockcliffe Lands enjoy panoramic views of the Ottawa River and the Gatineau hills.

The redevelopment at Rockcliffe is one of the most significant community building initiatives in the nation's capital. Its mission is to develop an innovative, sustainable mixed-use neighbourhood while setting exemplary standards for design and long-term economic viability. Commercial development and employment uses will be prioritized, along with the creation of strong connections among natural features, open areas and urban public spaces.

Canada Lands submitted its Community Design Plan for the site to the City of Ottawa in summer 2014. A public advisory group was formed at that time to gather insights and opinions. The company hosted several large public consultation events, including open houses and workshops. At these events members of the public were invited to assess, comment and advise on different planning concepts and design principles and ideas.



As part of an innovative framework for an ongoing and mutually beneficial relationship, Canada Lands engaged the Algonquins of Ontario in direct consultation and information sharing in advance of community open houses, in all stages of concept development, land use planning, and detailed design, as well as commemoration activities on the site.

Les Bassins du Nouveau Havre, Montréal, Québec

When it was announced in 2007 that Canada Lands would be master developer of the Montréal's New Harbourfront initiative, the company immediately began working with stakeholders to establish a comprehensive new vision for this important urban area.

In 2010, this project took several major steps forward. Canada Lands announced that after completing a nationwide request for proposals, it had selected a partnership of two builders to carry out the development of various residential lots in its 23-acre (10-hectare) Les Bassins du Nouveau Havre project, located in Montréal's Sud-Ouest Borough. Canada Lands' effort to redevelop this former postal distribution facility provides a superb demonstration of the company's recognized excellence in the revitalization of former government properties.



Les Bassins du Nouveau Havre plans for approximately 1,800 private residential units, including family-oriented and affordable housing. The development opened its first sales office in 2011.

In 2014, Canada Lands completed its construction of infrastructure for the site. This included the new Basin Street, as well as an innovative retention basin for stormwater management. Les Bassins du Nouveau Havre project aims to become a vibrant mixed-use development that captures the spirit of Montréal's historic interior port.