



Crown Corporation

B U S I N E S S P L A N S

FOR THE FISCAL YEAR 2011–2012

Harbourside Commercial Park Inc. ***Business Plan 2011–2012***

Table of Contents

Message from the Minister and the President	
Mission	
Planning Context	
Strategic Goals	
Core Business Areas	
Priorities for 2011–2012	
Budget Context	
Outcomes and Performance Measures	

Message from the Minister and the President

Harbourside Commercial Park Inc. (HCPI) began operations as a Crown corporation during the 2007–2008 fiscal year, with the mandate to manage the commercial development of remediated areas of the former Sydney Steel property.

Since the opening of the first phase of the commercial park, levels of employment have steadily increased. The 14 businesses within the park have 136 full-time employees plus an additional 20 part-time workers. Among these full-time employment numbers are 29 former steelworkers, with an additional 14 former steelworkers working part time. The Sydney Tar Ponds project has just recently constructed an \$8.3 million building within the commercial park and employs an additional 26 full-time and contractual workers.

Harbourside Commercial Park personnel are actively dealing with prospective tenants interested in land and building purchases. Due to demand, the park has reached full capacity for rental of available office space in existing buildings.

2010 saw the opening of a new sports facility within the commercial park. The new facility includes a soccer field, walking track, and basketball and tennis courts. Several community sporting groups are eager to add Harbourside to their list of venues for sporting and charity fundraising events. Two local high school soccer teams have adopted our facility as their new home field.

Harbourside Park has contributed, and continues to contribute, to the local economy and provides an excellent area for new and existing businesses to develop. The future 2011–2012 fiscal year looks very positive as new tenants choose Harbourside as their business location.

The Honourable Bill Estabrooks
Minister of Transportation and
Infrastructure Renewal

Gary Campbell
President,
Harbourside Commercial Park Inc.

Mission

To develop and maintain a viable industrial and commercial park, comprising properties formerly owned by Sydney Steel Corporation (Sysco), including maintenance of buildings and grounds, and the sale and lease of real estate for commercial purposes.

Planning Context

As a Crown corporation, Harbourside Commercial Park Inc. (HCPI) reports to a board of directors. The Minister of Transportation and Infrastructure Renewal is the minister responsible for the Crown corporation. HCPI maintains its office at Sydney, Nova Scotia, along with a presence at the department's head office in Halifax.

HCPI is responsible for the remediated lands on the former Sysco property. HCPI was incorporated in August 2006 and began operations April 1, 2007. HCPI is also responsible for Sydney Utilities Limited (SUL), which is a wholly owned subsidiary of HCPI. SUL is responsible for the control of the two water utilities that had been part of the Sysco infrastructure, and a substantial water supply for the regional municipality and industrial activities at the former Sysco site.

Approximately 48 hectares (120 acres) of the former Sysco site have been remediated

to industrial standards. In 2009–10, HCPI purchased the second phase of former Sysco land at fair-market value. HCPI will manage the process of selling or leasing this property to commercial users and will manage existing tenants currently in place.

The remainder of the Sysco site will be remediated over time. As additional parts of the site are cleaned and available for sale or lease, it is intended that HCPI will purchase the property from Sysco.

HCPI will be guided by important key principles. These principles include strict attention to environmentally safe practices, a strong commitment to the health and safety of workers, respect for local communities, adherence to fiscal responsibility and public accountability, and the practical use of local labour and supplies.

Strategic Goals

HCPI's overall strategy is to advance its objectives with respect to establishing a fiscally viable commercial business park at the former Sysco steel mill site.

More specifically HCPI will

- develop Harbourside Commercial Park into a premier commercial and marine park, through marketing and site development
- provide business and other opportunities to the communities of the Cape Breton Regional Municipality



- expand and evolve the site as property is remediated and purchased from Sysco
- maintain sound health and safety practices in order to minimize the potential risk of injury to workers, visitors, tenants, suppliers, and others who may visit the site
- maintain adequate security on the site to prevent the loss of provincial property and site assets
- as the sole owner of SUL, ensure that SUL manages the liabilities associated with the existing major water treatment and distribution utility, located in Sydney River (In 2010 the Sydney River water system was shut down and will be decommissioned this year. SUL will also manage the operation of the Grand Lake water system, which is now in full operation, supplying process water to Harbourside Commercial Park.)

Core Business Areas

HCPI Operations

The location of HCPI is ideal as a commercial business park. HCPI's core objectives are the continued property management and operation of the park and all associated buildings and marine facilities.

Sydney Utilities Activities

SUL will manage the operation of the Grand Lake process water utility, which is now operational. Nova Scotia Lands Inc. will undertake the planning for, and decommissioning of, the Sydney River water system on SUL's behalf..

Planning for Future Site Development and Use

As more property is remediated and purchased, HCPI will continue to participate in the development of a long-term plan that clearly establishes its vision for the site and adjacent properties. Included in the planning document will be potential uses of the land and a strategy to attract to the park new businesses that support the vision. A planning process has been initiated to recommend future uses for the Coke Ovens property and the Sydney Tar Ponds and to determine what impact these sites will have on Harbourside.

Priorities for 2011–2012

HCPI Operations

- Develop and implement marketing strategies promoting the commercial park.
- Continue to attract new tenants to the commercial park.

- Enhance the second development phase of the Sysco site, through infrastructure development and aesthetic enhancement, making the site attractive to business and community.
- Improve the HCPI website, as a sales and information tool promoting the park.
- Assist the municipality and the Whitney Pier Historical Society in their efforts to develop a walking-trail system adjacent to the park, making resources and land available where possible. This project had started in the fall and will be complete this early summer.

Development of Infrastructure on Existing Remediated Lands

- Improve marketing and signage for the park.
- Turn over roads to CBRM.

Planning for Future Site Development and Use

- Work with key stakeholders to develop a vision for the future of the park and adjacent Tar Ponds and Coke Ovens site properties.
- Develop a long-term strategic plan for the future use of the next phase of the site.



Budget Context

	Budget 2010–11 (\$ 000)	Forecast 2010–11 (\$ 000)	Budget 2011–12 (\$ 000)
Revenue			
Leases and rent	1,000	1,005	978
Sale of land	20	20	88
Other	40	52	50
Total revenue	1,060	1,077	1,116
Expenses			
General operating expenses	915	877	999
Management fees	115	104	105
Total expenses	1,030	981	1,104
Net income (loss)	30	96	12
Capital expenditure	2,000	805	1,000

Note: HCPI does not have any employees. HCPI contracts with NSLI for the park's operation, project management, and marketing of the park.

Outcomes and Performance Measures

Core Business Area 1 HCPI Operations

Outcome	Measure	Base Year	Target: 2011-12	Trends	Strategies to Achieve Target
Continued management of the park	Number of property sales and leases	2008-09	Four lot sales and all office space leased		Continue marketing activities
Lease renewal for marine facility and back-up lands	Signing of new 5-year lease	2005-06	Renewed lease New lease arrangement	2011-12: 100%	Negotiations with Provincial Energy Ventures and other potential users

Core Business Area 2 Sydney Utilities Activities

Outcome	Measure	Base Year	Target: 2011-12	Trends	Strategies to Achieve Target
Commissioning of Grand Lake water utility	Water usage by commercial users in park	2010-11	Water system complete	2011-12: 100%	Management of construction contracts
Shut down of Sydney River system	System no longer in use	2010-11	Planning for and decommissioning underway	2011-12: 100%	Liaison with CBRM and management of consultant contracts



Core Business Area 3 *Planning for Future Use*

Outcome	Measure	Base Year	Target: 2011–12	Trends	Strategies to Achieve Target
Future site use of HCPI and adjacent sites	Final land use plan for public discussion	2009–10	Approved plan for adjacent sites and HCPI	2011–12: 20%	Participation in planning process with federal and municipal governments
Land use plan for Harbourside site this year	Completed plan	2010–11	Plan for adjacent site	2011–12: 100%	Engage land-use consultant