



Crown Corporation

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

FOR THE FISCAL YEAR 2008–2009

Harbourside Commercial Park Inc. *Business Plan 2008–2009*

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Message from the Minister and the President

Harbourside Commercial Park Inc. (HCPI) was established by Executive Council in August 2006, at the same time a second Crown corporation, Nova Scotia Lands Inc. (NSLI), was established. NSLI, while active in site-remediation activities, also provides a number of project management services for HCPI. In 2007–2008, the business plans for both Crown corporations were presented as a combined business plan.

HCPI started operations as a Crown corporation in fiscal 2007–2008. With the decommissioning of Sysco basically complete and attention now turning to site remediation and redevelopment, HCPI was created to manage commercial development of the remediated areas of the former Sydney Steel plant site.

In 2007–2008, HCPI successfully concluded the sale of the land to ProtoCase Inc. This was the first land sale for HCPI for the construction of a new building and is seen to be an important beginning for HCPI in meeting its mandate of establishing a viable commercial park on the former Sysco site. To date, there are 16 tenants on the newly established commercial park site.

In addition, several companies are negotiating land and building purchases. One major tenant is the Cape Breton Regional Municipality, which has entered a lease-to-purchase arrangement for a large building, formerly part of the steelmaking operation.

In 2008–2009, HCPI will continue to focus its efforts in ensuring the successful operation of the park. Former Sysco management staff will be retrained for property management activities. The site redevelopment plan is being updated to reflect changing usages. An additional 30 acres (12 hectares) of the former steel plant property will be remediated, redeveloped, and added to the existing 65-acre (26-hectare) commercial park. All of these redevelopment activities will have positive implications for the municipality's tax base.

The Hon. Murray Scott
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). This mandate includes the maintenance of buildings and grounds, where necessary, and the sale and lease of real estate for commercial purposes.

Link to the Corporate Path

As a Crown corporation, HCPI's strategic objectives and priorities are designed to assist the government in achieving its goals of vibrant communities and economic development. The successful development of a commercial park on the former Sysco site contributes to the economic and environmental well-being of Sydney and Cape Breton Regional Municipality.

The ability of HCPI to attract new businesses to the former Sysco site signals to all that the province has been successful in changing the focus of activities on the former site. Previously, efforts had been concentrated on the demolition of the former steel plant. Since that has been basically completed, the focus has now turned to remediation and commercial redevelopment.

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 on 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 65 acres (26 hectares) of the former Sysco site have been completely decommissioned and remediated. In 2007–2008, HCPI purchased this land along with other properties from Sysco at fair market value. HCPI will manage the process of selling and/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 made 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 the province's objectives with respect to establishing a fiscally viable commercial business park at the former steel mill site.

More specifically HCPI will

- develop Harbourside Commercial Park into a premier commercial 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. SUL will also manage the former Grand Lake water system, which may be reactivated to provide a process water supply to Harbourside Commercial Park

Core Business Areas

The following are the core business functions HCPI.

HCPI Operations

The location of HCPI is ideal as a commercial business park. HCPI's core objectives are the continued development and operation of the park and all associated buildings and facilities, including a subsidiary company (Sydney Utilities) to manage the water supply for the park facility.

Former Sysco Site Redevelopment

As the former Sysco site is remediated, work will continue to evolve the property into useful and valuable real estate that will be managed by HCPI.

Planning for Future Site Development and Use

As more property is remediated and purchased by HCPI, HCPI will continue to develop a long-term plan that clearly establishes its vision for the site. 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.

Priorities for 2008–2009

HCPI Operations

- Attract new tenants to the commercial park.
- Continue to enhance the front end of the Sysco site, through infrastructure development and aesthetic enhancement, making the site attractive to business and community.
- Complete restoration of buildings designated for use in the park.
- Develop and implement marketing strategies promoting the commercial park and its assets.
- Create a new HCPI website, as a sales and information tool promoting the park.

- Assist the Whitney Pier Historical Society in their efforts to develop a walking trail adjacent to the park, making resources and land available where possible.

Development of Infrastructure on Existing Remediated Lands

- Complete greening project on the south end of site.
- Install rail through the east/central area of site.
- Extend Inglis Street and Wabana Street to the Cross Road.
- Landscape areas adjacent to new roads.
- Open Sydney Port Access Road to public.
- Realign fencing, releasing cleaned and remediated real estate to HCPI. This will include all lands to Cross Road.

Planning for Future Site Development and Use

- Working with key stakeholders, develop a vision for the future of the park.
- Develop a long-term strategic plan for the future use of the site.
- Develop a financial plan to assist with the future purchase of remediated lands of the former Sysco site, as they become available.



Budget Context

	Estimate 2007-08 (\$ 000s)	Forecast 2007-08 (\$ 000s)	Estimate 2008-09 (\$ 000s)
Revenue			
Leases and rent	750	750	750
Sale of land	—	40	25
Other	—	20	—
Total revenue	750	810	775
Expenses			
General operating expenses	450	554	581
Project management	110	33	65
Management fees	110	112	112
Leasehold improvements	—	157	—
Total expenses	670	856	758
Net income (loss)	80	(46)	17

Outcomes and Performance Measures

Core Business Area 1

Harbourside Commercial Park Operations—property management, leases, property sales, and management of contracts

Outcome	Indicator	Measure	Target: 2008–09	Strategies to Achieve Target
Continue development of commercial park	Additional services online	Additional property available for sale or rent	65 acres (26 hectares)	Management of various contracts
Turnover of infrastructure (roads, sewer, water) to municipality		Acceptance by CBRM	All of Phase One infrastructure	Meetings and legal correspondence with CBRM
Sale of developed industrial lots	Surveys completed	Number of deeds prepared	4 lot sales	Marketing activities
Rental of office space	Square footage available for rent	Number of leases	15 leases finalized	Marketing
Promotion of park facility		Number of inquiries		Promotional material prepared



Core Business Area 2 *Development of Infrastructure on Existing Remediated Lands*

Outcome	Indicator	Measure	Target: 2008-09	Strategies to Achieve Target
Continued development of roads and services		Amount of infrastructure completed	1.5 km of new roads and services	Management of construction contracts
Additional property remediated for redevelopment		Level of site remediation activity	Approximately 70 acres (28 hectares)	Management of environmental engineering contracts

Core Business Area 3 *Planning for Future Site Development and Use*

Outcome	Indicator	Measure	Target: 2008-09	Strategies to Achieve Target
A final long-term land use plan		Updated planning report under way	Final land use plan	Planning consultant contract