

**HARBOURSIDE COMMERCIAL PARK INC.**

**ANNUAL ACCOUNTABILITY REPORT  
FOR THE FISCAL YEAR 2013-2014**

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## 1.0 Accountability Statement

The accountability report of Harbourside Commercial Park Inc. (HCPI) for the year ended March 31, 2014, is prepared pursuant to the *Provincial Finance Act* and government policies and guidelines. These authorities require the reporting of outcomes against the HCPI's Business Plan information for the fiscal year 2013-2014. The reporting of Harbourside Commercial Park Inc. outcomes necessarily includes estimates, judgments and opinion by HCPI's management.

This accountability report is the responsibility of HCPI's management and is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in HCPI's Business Plan for the year.



Geoff MacLellan

Minister, Department of Transportation and Infrastructure Renewal



Gary Campbell

President, Harbourside Commercial Park Inc.

## **2.0 Message from Harbourside Commercial Park Inc.**

I am pleased to present Harbourside Commercial Park Inc.'s Accountability Report for the 2013-2014 fiscal years. This report provides an overview of HCPI's priorities and accomplishments.

During the 2013-2014 fiscal year, HCPI continued to market and promote the first 150 acre phase of remediated former Sysco lands. The former TP2 building has been sold to TIR, who turned it over to the Department of Education to be used as a bus maintenance facility for the Cape Breton Victoria Regional School Board.

An additional 19 acres(Phase IV) of former Sysco lands has been transferred to HCPI which will continue to focus its efforts on the successful operation of the commercial park.

I hope you will find the information helpful in understanding HCPI's progress in establishing a fiscally viable commercial business park at the former Sydney Steel site.

Sincerely,



Geoff MacLellan

Minister, Department of Transportation and Infrastructure Renewal

## 3.0 Introduction

The Annual Accountability Report is a report on the progress achieved by HCPI towards the goals, priorities, performance measures and financial targets established in the 2013-2014 Business Plan and are available at <http://www.harcom.ca>.

Harbourside Commercial Park Inc. was established in August 2006 to manage commercial development of remediated areas of the former Sydney Steel (Sysco) plant site. All assets of SUL, Sydney Utilities Ltd., have been transferred to HCPI. HCPI is now 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.

HCPI's mission is to develop and maintain a viable industrial and commercial park comprising properties formerly owned by Sydney Steel Corporation. This mandate includes the maintenance of buildings and grounds, where necessary, and the sale and lease of real estate for commercial purposes.

As a Crown corporation, HCPI reports to a Board of Directors. The minister responsible for the Crown Corporation, during the 2013-2014 fiscal year, was the Minister of Transportation and Infrastructure Renewal. The responsibility for HCPI was transferred to the Department of Internal Services on April 1, 2014. HCPI maintains its office at Sydney, Nova Scotia, along with a presence at the department's Head Office in Halifax.

## 3.1 Report Structure

This report is organized into two main sections. The first section outlines HCPI's progress and accomplishments against the priorities identified in the 2013-2014 Business Plan. The next section provides details regarding performance measures and the results achieved. The financial results of Harbourside Commercial Park Inc. are reported on in the Audited Financial Statements. These statements are available at <http://www.harcom.ca>.

## 4.0 Priorities and Accomplishments

Harbourside Commercial Park Inc. secures the majority of its funding from property rentals and sales, along with a management fee for administration of the park facility.

The work of HCPI is closely aligned and integrated with the activities of Nova Scotia Lands Inc.

In addition to the ongoing activities that support the development and marketing of Harbourside Commercial Park, HCPI can report the follow accomplishments:

### HCPI Operations

Develop and implement marketing strategies promoting the park. Social media, newspaper ads and PR work will be utilized to promote the park.

New tenants to the park this year include Greenbrier Developments, MacLean Hearing, GDI Technical Services.

Phase 3 and Phase 4 of the former Sysco lands have been turned over to HCPI.

HCPI's website as a sales and information tool, promoting the park, is updated on a regular basis.

### Development of Infrastructure on Existing Remediated Lands

New signage for the park is up and the STPA building signs have been taken down.

All roads in the three phases have been turned over to CBRM.

### Planning for Future Site Development and Use

A vision for the future of the park and adjacent Tar Ponds and Coke Ovens Sites has been completed. Open Hearth Park is the new name for the former STPA lands. The former Coke Ovens site is now called Harbourside East Park.

The sale of lands to CBEX has been deferred to CBEX.

The planning and development of the site is ongoing.

## 5.0 Performance Measures

This section provides detailed information on the outcomes and performance measures of Harbourside Commercial Park Inc.

Outcomes and measures outlined in the 2013-2014 Business Plan included the following targets. The status of these targets is:

<b>Outcome</b>	<b>2013-2014 Target</b>	<b>Status</b>
Continue management of the park	Four properties sold	Achieved Management of the park is ongoing
Rehabilitation of Pictou Wharf	100%	Upgrading of wharf is complete
Transfer of Phase IV Land to HCPI	100%	Complete
Transfer of SUL Assets to HCPI	100%	Complete
Land use plan to be expanded to include Coke Ovens Site	Plan for site	Complete

## 6.0 Financial Results

	<b>Budget 2013/14 (\$000s)</b>	<b>Actual 2013/14 (\$000s)</b>	<b>Variance (\$000s)</b>
Revenue:			
Leases and Rent	975	757	(218) <sup>1</sup>
Sale of Land/Buildings	31	(26)	(57) <sup>2</sup>
Other	66	57	(9) <sup>3</sup>
<b>Total Revenue</b>	<b>1072</b>	<b>788</b>	<b>(284)</b>
Expenses:			
General Operating Expenses	825	721	(104) <sup>4</sup>
Management Fees	100	91	(9) <sup>5</sup>
<b>Total Expenses</b>	<b>925</b>	<b>812</b>	<b>(113)</b>
<b>Net Income (Loss)</b>	<b>147</b>	<b>(24)</b>	<b>(171)</b>

<sup>1</sup> The variance of \$218,000 in leases & rent: Shortfall due to the termination of STPA's leases, both the TP2 site and the Admin building.

<sup>2</sup> Shortfall of \$57,000 in sales of land/ buildings: received no payment for land in TP2 sale

<sup>3</sup> Other: Loss of Pictou Wharf user fees.

<sup>4</sup> General Operating Expenses: \$60,000 less taxes; fewer repairs/maintenance; less depreciation on sale of warehouse.

<sup>5</sup> Management Fees: Best estimate at time.