

**Harbourside Commercial Park Inc.
Crown Corporation
Province of Nova Scotia
Business Plan
2010 – 2011**

Message from the Minister and the President

Harbourside Commercial Park Inc. (HCPI) began operations as a Crown corporation during the 2007/08 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 will see the opening of a new sports facility within the commercial park. This new facility will include 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.

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 2010-2011 fiscal year looks very positive, as new tenants choose Harbourside as their business location.

Honourable Bill Estabrooks
Minister of Transportation and
Infrastructure Renewal

Gary Campbell
President,
Harbourside Commercial Park Inc.

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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 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 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 SUL manages the liabilities associated with the existing major water treatment and distribution utility, located in Sydney River. SUL will also manage the commissioning and operation of the Grand Lake water system, which is being reactivated to provide a process water supply to Harbourside Commercial Park. The Sydney River system will then be abandoned and the infrastructure decommissioned.

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 property management and operation of the park and all associated buildings and marine facilities.

Sydney Utilities Activities

Manage the development and commissioning of the Grand Lake process water utility. Once this water system is operational, SUL will undertake the planning for, and decommissioning of, the Sydney River water system.

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 2010-2011

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
- Complete restoration of buildings designated for use in the park
- 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

Development of Infrastructure on Existing Remediated Lands

- Landscape areas adjacent to new roads
- Realign Sydney Port Access Road to allow for better and more efficient public use
- Realign fencing, releasing cleaned and remediated real estate for future commercial development

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

Outcomes and Performance Measures

Department Mandate:					
OUTCOME (immediate or inter- mediate)	MEASURE / RATIONALE	DATA Base Year - 2009	TARGET 2011 (Target for end of next Fiscal Year)	TRENDS	Strategic Actions to achieve target
Core Business Area 1 – HCPI Operations					
Outcome	Measure	Base Year:	Annual Target:	Trends	Strategic Actions
Continue management of the park	Number of property sales and leases	2008-09	Four lot sales and all office space leased		Continued marketing activities
Lease renewal for marine facility and back-up lands	Signing of new 5 year lease	2005-06	Renewed lease		Negotiations with Provincial Energy Ventures

Department Mandate:					
OUTCOME (immediate or inter- mediate)	MEASURE / RATIONALE	DATA Base Year - 2009	TARGET 2011 (Target for end of next Fiscal Year)	TRENDS	Strategic Actions to achieve target
Core Business Area 1 – Sydney Utilities Activities					
Outcome	Measure	Base Year:	Annual Target:	Trends	Strategic Actions
Commissioning of Grand Lake water utility	Water usage by commercial users in park	2010-11	Water system complete		Management of construction contracts
Shut down of Sydney River system	System no longer in use	2010-11	Planning for and decommissioning underway		Liaison with CBRM and management of consultant contracts

Department Mandate:					
OUTCOME (immediate or inter- mediate)	MEASURE / RATIONALE	DATA Base Year - 2009	TARGET 2011 (Target for end of next Fiscal Year)	TRENDS	Strategic Actions to achieve target
Core Business Area 1 – Planning for Future Use					
Outcome	Measure	Base Year:	Annual Target:	Trends	Strategic Actions
Future site use of HCPI and adjacent sites	Final land use plan for public discussion	2009-10	Approved plan for adjacent sites and HCPI		Participation in planning process with federal and municipal governments

Budget Context

	Budget 2009/10 (\$000s)	Forecast 2009/10 (\$000s)	Budget 2010/11 (\$000s)
Revenue:			
Leases and Rent	975	860	1,000
Sale of Land	0	0	20
Other	0	36	40
Total Revenue	975	896	1,060
Expenses:			
General Operating Expenses	750	892	915
Management Fees	115	115	115
Total Expenses	865	1,007	1,030
Net Income (Loss)	110	(111)	30
Capital Expenditure	250	96	2,000

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