

# Harbourside Commercial Park Inc.



## Business Plan 2017-2018

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## 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. HCPI has also taken possession and control of the former Bowater property in Liverpool, Nova Scotia. HCPI also works closely with the operations at Pictou Wharf facility.

Since the opening of three phases of the commercial park, levels of employment have steadily increased. The 26 businesses within the Sydney park have 244 full-time employees plus an additional 20 part-time workers.

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

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 2017-2018 fiscal year looks very positive, as new tenants choose Harbourside as their business location.

Just as importantly, the Sydney site aims to achieve viable operations with minimal or no government financial support.



The Honourable Geoff MacLellan  
Minister of Transportation and Infrastructure Renewal



Gary Campbell  
President, Harbourside Commercial Park Inc.

## Mandate

HCPI's overall strategy is to advance its objectives with respect to establishing fiscally viable commercial business parks at the former Sysco steel mill site and the former Bowater property (Port Mersey Commercial Park).

The Commercial Park facilities are managed with an eye to community economic/employment benefit while striving to operate in a fiscally responsible manner aiming to achieve viable operations with minimal or no government support.

## Governments Priorities

HCPI will continue to develop and implement marketing strategies promoting HCPI and Port Mersey Commercial Park to attract new tenants to both parks.

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 sites and their adjacent properties. Included in the planning will be potential uses of the lands and a strategy to attract to the parks new businesses that support the vision.

### 1) People

- a) As part of the redevelopment, leasing and sales arrangement with any property – the process includes review and approval of all potential clients' business envelope. In this envelope, anticipated short term and long term employment numbers for a given operation form one of the key decision chains.

### 2) Innovation

- a) At the Port Mersey Commercial Park, Innovacorp sponsors the Center of Excellence and has attracted startup companies whose very premise is innovation. These companies include Cellufuel who utilize a novel process converting wood materials into a diesel fuel product that can be used as a supplement or replacement for traditional diesel fuel.
- b) A second Innovacorp sponsored company is Unify/Lightsail who have a new technology for the efficient storage of power produced from wind energy turbines.
- c) Several other startup companies that remain relatively low key who have chosen our commercial parks as their venue include:

- Protocase – a computer component company specializing in limited production orders and lightning-fast turn arounds
- Jaspro Service Inc. – who can provide the manpower and skills to do almost anything almost anywhere
- Millcreek Environmental – industrial waste handlers who have proven that they can handle any difficult situation or emergency,
- R.J. MacIsaac – ship decommissioning, disposal and recycling of vessels and other marine structures
- Lloyoll Custom Building – modular homes
- Covey Island ship building
- currently there are 26 companies – all unique in some aspect – that are operating on Nova Scotia Lands managed properties.

## Core Responsibilities and Services

### Harbourside Commercial Park Development



HCPI's core objectives are the continued property management and operation of the park.

Key Actions:

- a) Explore marketing advertising opportunities to further park usage,
- b) establish industrial/commercial tenant for north brown field property,
- c) provide business and other opportunities to the communities of CBRM,
- d) maintain sound health and safety practices to minimize the potential risk of injury to workers, visitors, tenants, suppliers, and others who may visit the site,
- e) maintain adequate maintenance on the site to prevent the loss or damage to provincial property and site assets
- f) investigate commercial development opportunities for Harbourside East and Frederick Street properties, and
- g) maintain financial viability whereby government financial assistance is negligible or not required.

### Port Mersey Commercial Park Development

Continue management, promotion and development of this first class commercial park in the Brooklyn/Liverpool sector of Queens County.



Key Actions:

- a) Explore marketing and advertising opportunities to further park usage,
- b) establish and work with tentative new tenants/partners on ship breaking program,
- c) lease terminal building and maintenance shops,
- d) continue wharf usage development,
- e) establish at minimum two new commercial tenants,
- f) maintain adequate security on site to prevent loss or damage to provincial property and site assets,
- g) current employment levels have surpassed 100 people, and
- h) maintain sound health and safety practices to minimize the potential risk of injury to workers, visitors, tenants, suppliers, and others who may visit the site.

## Open Hearth Park Management

HCPI will continue to promote and encourage active living and community cohesiveness through Open Hearth Park operations.



Key Actions:

- a) Work with Cape Breton Regional Municipality in the extension of Open Hearth trails to the downtown boardwalk and cruise-ship pavilion,
- b) encourage use of the park through promotional events which may include summer concerts, parades and holiday activity events,
- c) stay within the funding guidelines provided through the 25-year federal/provincial maintenance and monitoring agreement, and
- d) complete connection from Harbourside Commercial Park to North Bridge in Open Hearth Park,
- e) continue to intricately link the Open Hearth Park to Harbourside Commercial Park to enhance land value and attractiveness.

## Outcomes and Performance Measures

Promote the growth and expansion of the two commercial parks falling under HCPI's mandate by promoting the attributes of the parks, assisting businesses in leasing space (and buildings) in the parks and enabling tenants to succeed by facilitating contracts with government and other resources, wherever possible.

HCPI has been active in the past year attracting new tenants to the parks and will work with community and government contacts to target additional tenants in the parks in 2017-2018.

HCPI will endeavor to attain this goal by continuing to focus on helping clients establish and promote businesses in the parks through the facilitation of contacts with local government departments and agencies to ensure widespread knowledge of the resources, services and opportunities available to business from park tenants.

The pending sale of two properties in Port Mersey Commercial Park and one in HCPI will increase employment levels by 30 people at each site.

## HARBOURSIDE COMMERCIAL PARK BUDGET CONTEXT

	Estimate 2016-2017 ('000)	Forecast 2016-2017 ('000)	Estimate 2017-2018 ('000)
<b>REVENUES</b>			
Leases and Rent	285	285	203
Provincial Funding	510	510	510
Economic Development	0	0	0
Sale of Land	384	272	400
Other	12	60	60
<b>TOTAL REVENUE:</b>	<b>1,191</b>	<b>1,127</b>	<b>1,173</b>
<b>EXPENSES</b>			
General Operating Expenses	1,021	935	972
Management Fees	206	206	146
<b>TOTAL EXPENSES:</b>	<b>1,227</b>	<b>1,141</b>	<b>1,118</b>
<b>NET INCOME (LOSS):</b>	<b>-36</b>	<b>-14</b>	<b>55</b>
<b>CAPITAL EXPENDITURE</b>	<b>0</b>	<b>0</b>	<b>0</b>



## PORT MERSEY COMMERCIAL PARK BUDGET CONTEXT

	Estimate 2016-2017 ('000)	Forecast 2016-2017 ('000)	Estimate 2017-2018 ('000)
<b>REVENUES</b>			
Miscellaneous	0	18	0
Recoveries			
Leases	210	152	265
Sales	400	100	300
Wharf Usage	250	318	300
Equipment Rentals	0	0	35
Ec Dev Provincial	1,250	1,250	1,250
Recovery			
PNS Grant	1,000	1,000	976
Miscellaneous Income	0	3	0
<b>TOTAL REVENUE:</b>	<b>3,110</b>	<b>2,841</b>	<b>3,126</b>
<b>EXPENSES</b>			
Payroll	800	750	658
General and Administration Expenses	2,020	2,114	1,970
Consulting Expenses	50	20	0
Security Expenses	190	143	190
Site Reconstruction	50	44	125
Admin Fee to NSLI			183
<b>TOTAL EXPENSES:</b>	<b>3,110</b>	<b>3,071</b>	<b>3,126</b>
<b>NET INCOME (LOSS):</b>	<b>0</b>	<b>-230</b>	<b>0</b>