TABLE OF CONTENTS

EXECUTIVE SUMMARY 1

1.0 INTRODUCTION 10

1.1 OBJECTIVES OF THE STUDY 11
1.2 ORGANIZATION OF THIS REPORT 11

2.0 BACKGROUND 13

2.1 FUNCTIONAL PLAN POLICY REQUIREMENT 13
2.2 BACKGROUND DOCUMENT REVIEW 13
2.3 DESCRIPTION OF BUSINESS PARKS IN HRM 17
2.3.1 Burnside Business Park (HRM) 17
2.3.2 City of Lakes Business Park (HRM) 17
2.3.3 Dartmouth Crossing (Private) 17
2.3.4 Bayers Lake Business Park (HRM) 18
2.3.5 Ragged Lake Business Park (HRM) 18
2.3.6 Lakeside Industrial Park (HRM) 19
2.3.7 Aerotech Business Park (HRM) 19
2.3.8 Woodside Ocean Industries Park (Prov. NS) 20
2.3.9 Sackville Business Park (Prov. NS) 20
2.3.10 Bedford Industrial Park (Prov. NS) 20
2.3.11 Bedford Commons (Private) 21
2.3.12 West Bedford Business Campus (Private) 21
2.3.13 Atlantic Acres Industrial Park (Prov. NS) 22
2.3.14 Musquodoboit Harbour Industrial Park (Prov. NS) 22
2.3.15 Eastern Shore Industrial Park (Prov. NS) 22
2.3.16 Sheet Harbour Industrial Park (Prov. NS) 23
2.4 SUMMARY OF EXISTING DEVELOPMENT PROCESS IN BUSINESS PARKS 23
2.4.1 Business Park Financing 23
2.4.2 Business Park Development/Expansion Process 24
2.4.3 Individual Lot Purchase Process 25
2.4.4 Site Development Standards 25
2.4.5 Pricing Policy 29

3.0 STAKEHOLDER CONSULTATION 30

3.1 GREATER BURNSIDE BUSINESS ASSOCIATION (GBBA) 30
3.1.1 Presentation by GBBA to HRM 30

3.1.2 Meeting Between the Consultants and the GBBA Executive 30
3.2 BURNSIDE STAKEHOLDER WORKSHOP 31
3.3 BAYERS LAKE BUSINESS ASSOCIATION 32
3.4 STAKEHOLDER INTERVIEWS 33
3.5 SUMMARY OF ISSUES 33

4.0 BUSINESS PARK DEVELOPMENT TRENDS 34

4.1 OFFICE 34
4.2 RETAIL 38
4.3 TRANSPORTATION AND WAREHOUSE 40
4.4 MANUFACTURING 43
4.5 OTHER TRENDS 44
4.6 SURVEY OF CANADIAN BUSINESS PARKS 45

5.0 REAL ESTATE MARKET ANALYSIS 49

5.1 HRM MACRO ECONOMIC OVERVIEW 49
5.2 HRM ECONOMIC OBJECTIVES 51
5.2.1 HRM's Economic Growth Strategy 51
5.2.2 Nearshore Financial Services 52
5.2.3 Halifax Gateway 53
5.2.4 Aerospace and Defence. 53
5.2.5 Information and Communications Technology (ICT). 55
5.2.6 Life Sciences Sector 56
5.2.7 GHP Business Retention Study 56
5.3 EXISTING SUPPLY OF BUSINESS PARK LAND 57
5.3.1 Municipal and Provincial Business Parks 57
5.3.2 Private Sector Business Parks 58
5.3.3 Office Space Construction Activity 60
5.4 FUTURE DEMAND FOR OFFICE SPACE 62
5.5 CONCLUSIONS 66

6.0 ANALYSIS OF POTENTIAL NEW BUSINESS PARK LANDS 68

6.1 BUSINESS PARK LAND REQUIREMENTS 68
6.2 GIS MODELLING PROCESS 68
6.2.1 Opportunities for Industrial Development 68
6.2.2 Limitations for Industrial Development 69
6.2.3 Suitability for Business Park Development 69
6.3 RESULTS OF THE SUITABILITY ASSESSMENT 69
6.4 OBSERVATIONS ABOUT THE SUITABILITY ASSESSMENT 70

7.0 FUNCTIONAL PLAN: HRM BUSINESS PARKS 71

7.1 RATIONALIZATION OF HRM'S ROLE: BUSINESS PARK DEVELOPMENT 71
7.1.1 HRM Business Park Policy Goals 71
7.1.2 Public vs. Private Development: What is HRM's Role? 72
7.1.3 Proposed HRM Business Park Policy Objectives 72
7.2 STRIKING A BALANCE BETWEEN DOWNTOWN & SUBURBAN OFFICE SPACE 74
7.2.1 Don't Assume Everyone Wants to Be Downtown 75
7.2.2 Convert Non-Core Government Offices into Incubator Space 75
7.2.3 Expanding MetroLink Is Critical to the Competitiveness of Downtown 75
7.2.4 Assist the Province in Locating a New Consolidated Courthouse 76
7.3 RESIDENTIAL DEVELOPMENT NOT COMPATIBLE WITH INDUSTRIAL PARKS 77
7.4 RATIONALIZATION OF EXISTING BUSINESS PARKS 79
7.4.1 Aerotech Business Park 79
7.4.2 Bayers Lake Business Park 80
7.4.3 Ragged Lake Business Park 82
7.4.4 Sheet Harbour Masterplan 82
7.5 PARTNERSHIP OPPORTUNITIES FOR BUSINESS PARK LAND 82
7.5.1 Create Advisory Groups for Each Economic Growth Sector 83
7.5.2 Partner with HPA to Develop Atlantic Gateway Halifax Logistics Park 83
7.5.3 Partner with the HIAA to Develop the Aerotech Park 84
7.5.4 GHP to Assist INNOVACorp in Marketing Woodside Life Sciences Park 85
7.5.5 Shearwater Land Reserve 85
7.5.6 Facilitate Incubator Space for the Nearshore Services Industry 85
7.5.7 Assist in the Redevelopment of the Cogswell Interchange 86
7.6 OPTIONS TO LEVERAGE HRM'S DEVELOPMENT CAPACITY 87
7.6.1 Partner with Private Sector Developers 87
7.6.2 Partner with Civil Contractors to Finance Roads 87
7.6.3 Consider Debt Financing 88
7.6.4 Use Zoning and Municipal Services to Direct Business Park Activity 88
7.7 LAND BANKING FOR BUSINESS PARKS 88
7.7.1 Partnerships and/or Land Acquisition 88
7.7.2 Land Expansion Reserve Fund 89
7.8 LAND PRICING AND SALES STRATEGIES 89
7.8.1 Land Prices to Reflect Replacement Cost of Raw Land 89
7.8.2 Be Mindful of the Net Useable Area for Each Lot 89
7.8.3 Focus on Reducing Each User's Consumption of Land 90
7.8.4 Sell Larger Parcels to Land Developers 90
7.8.5 Reduce Landscape Requirements on Large Lots 91
7.9 LAND MARKETING AND SALES PROCESS 91
7.9.1 Sales Process 91
7.9.2 Land Auctions 92
7.9.3 GHP to Provide Strategic Planning/Marketing for HRM Business Parks 92

7.9.4 Marketing Service Agreement Between HRM and NSBI 92
7.9.5 Land Sales Monitoring System 93
7.10 TRANSPORTATION AND BUSINESS PARKS 93
7.10.1 Alternative Transportation 94
7.10.2 Bus Route Planning 94

8.0 FUNCTIONAL PLAN: BURNSIDE 96

8.1 REGIONAL PLAN CONTEXT 96
8.1.1 The Regional Municipal Planning Strategy 96
8.1.2 RMPS Land Use Designations 96
8.1.3 Existing Zoning 99
8.1.4 Development Controls in Burnside Business Park and City of Lakes 102
8.1.5 Current Land Use in Burnside and City of Lakes Business Parks 103
8.2 RECOMMENDED GENERALIZED FUTURE LAND USE FOR BURNSIDE PARK 104
8.2.1 Light Industrial 104
8.2.2 General Industrial 104
8.2.3 Harbour Industrial 105
8.2.4 Distribution Industrial 105
8.2.5 Business Campus 105
8.2.6 Commercial 106
8.2.7 Burnside Comprehensive Development District 106
8.2.8 Harbour Commercial/Residential 107
8.2.9 Environmental Open Space 107
8.2.10 Recommended Development Controls 107
8.3 NEW INFRASTRUCTURE STANDARDS 108
8.3.1 Road Standards 108
8.3.2 Business Park Infrastructure 108
8.4 CHANGES TO THE MUNICIPAL PLANNING STRATEGY 109
8.4.1 Expand Areas for Office Development 109
8.4.2 Revise Windmill Road Corridor 109
8.4.3 Redevelopment in Old Burnside 109
8.5 SITE PLANNING CRITERIA 109
8.5.1 Reduce Consumption of Land 110
8.5.2 Set Minimum Height Limits in the Business Campus 110
8.5.3 Set Maximum Parking Ratios 110
8.5.4 Larger Lots with Common Truck Loading Areas 111
8.5.5 Changes to Site Development Standards Identified by Contractors 111
8.6 GOVERNANCE 111
8.6.1 Advisory Group Needed for Major Business Parks 111
8.6.2 Create Liaison Groups for Each Strategic Sector 112
8.6.3 Formalize Funding Mechanism for the GBBA 112

8.7 TRANSPORTATION 113
8.7.1 Metro Transit 113
8.7.2 Free Shuttle Bus in Burnside 114
8.7.3 Central Bus Terminal 114
8.7.4 Employee Transit Survey 115
8.8 THE GREENING OF BURNSIDE 115
8.8.1 Eco-Industrial Efficiency in Burnside 115
8.8.2 LEED (Leadership in Energy and Environmental Design) 117
8.8.3 Transportation 117
8.8.4 Green Infrastructure 117

APPENDIX A – BACKGROUND DOCUMENT SUMMARIES

HRM's Regional Municipal Planning Strategy, 2006 A-1
Dartmouth Municipal Planning Strategy & Land Use By-Law, 1978 A-6
Active Transportation Plan, 2005 A-7
North Dartmouth Planning Study, 1994 A-7
Wrights Cove Land Use and Transportation Plan, 2006 A-10
Planning for the Western Common, 1999 A-10
HRM's Economic Development Strategy, 2005-2010 A-11
Opportunities for Sustainable Prosperity, 2000 and 2006 A-12
Economic Potential of HRM and Halifax Harbour, 2004 A-13
Business Park Assessment and Growth Plan, 2005 A-13
Building the Container Transload Sector in Halifax, 2007 A-14

APPENDIX B - BUSINESS PARKS & MAJOR COMMERCIAL AREAS
APPENDIX C – LIST OF INDIVIDUALS CONSULTED FOR THIS REPORT
APPENDIX D – REFERENCES
APPENDIX E – BUSINESS PARKS QUESTIONNAIRE
APPENDIX F – STAKEHOLDER CONSULTATIONS
APPENDIX G – INDUSTRIAL SUITABILITY MAPS

EXECUTIVE SUMMARY

Overview. The Business Parks Functional Plan is one of the mechanisms for implementing HRM's Regional Municipal Planning Strategy, which was approved in 2006. The Business Parks Functional Plan (BPFP) serves as a strategic plan for the future expansion of business parks within HRM, and provides detailed management guidelines for the Burnside Business Park.

Scope of Work. The study reviewed a number of background documents, including land use policy and plans, previous land use planning studies, HRM's economic strategy, and various related studies. Research was conducted on relevant development trends.

Consultation. Interviews were conducted with the development community and HRM staff; consultants met three times with the Greater Burnside Business Association (GBBA) and with the Bayers Lake Business Association. A presentation was made at a GBBA luncheon, and an invited stakeholder workshop was held to solicit input from the Greater Burnside business community. Key issues revealed by the consultations included: outdated zoning, a poor quality of experience for park employees, outdated infrastructure standards, poor access to and within parks by transit and active transportation, lack of amenities for employees, traffic congestion, low land inventories, and the need to improve overall communication with HRM staff.

Business Park Supply. There are thirteen (13) business parks in HRM owned by the municipality and the province, plus an additional three owned by the private sector. The HRM owns and operates six (6) business parks in HRM (Burnside, City of Lakes, Bayers Lake, Aerotech, Ragged Lake, and Lakeside), while the Province manages seven (7) parks (Sackville, Woodside, Aerotech, Bedford, Eastern Shore, Musquodoboit Harbour and Sheet Harbour) through Nova Scotia Business Inc. (NSBI). The three privately owned parks in HRM, Dartmouth Crossing, Bedford Commons, and West Bedford Business Campus, include a total of 950 acres of land, and focus on providing for retail and office uses. More than half of this private sector land reserve will need to be set aside for roads and wetlands, or has already been sold.

As of the Spring of 2008, there were 363 acres of serviced land available for sale within the municipal and provincial business parks, with HRM controlling about two thirds of this total. There are also an additional 4,622 acres of lands in the combined land reserves for both groups, with HRM controlling 94% of this supply. The dominance of

HRM in business park development reflects the Province's move to slowly divest itself of business park land within HRM. However, of the 4,347 acres of reserve land owned by HRM, most of this land is not available for development due to wetland protection and roads, servicing and locational constraints, or is slated for other purposes (e.g., airport runways). When these amounts are excluded, the net amount of land available for sale is just 2,385 acres, and much of this is located in parks that have significant servicing constraints (i.e., Aerotech and Ragged Lake). There are now only 630 net acres of land in the Burnside Reserve (i.e., the net amount of sale after the exclusion of roads and wetlands), which, based on historic absorption rates, should last 15 to 20 years before it is completely built out.

In summary, there is a shortage of well located and serviced industrial land within HRM, and no clearly defined process to acquire new lands for expansion.

Demand for Business Park Land. Records indicate that 2,428 acres of business park land has been sold since the early 1960s, with HRM parks accounting for 1,760 acres, or 72% of this total. HRM has been selling an average of 50 acres a year since 2000, with Provincial sales accounting for another 18 acres per year. Sales of land in the private business parks are not confirmed, but appear to average 80 acres per year for the three year period 2005-2007. Therefore, total demand has averaged 150 acres per year from 2005 to 2007.

During the past decade, land consumption has increased substantially due to more stringent environmental regulations that require the exclusion of wetlands; site development criteria that require rear loading doors (and therefore a larger lot); and the general lack of serviced land for large developments (such as jails, composting plants, soccer fields, etc) that are now directed towards municipal business parks.

Financing Business Park Development. HRM is the major developer of business park land within HRM. As a general rule, the construction of new business park land is financed using sales proceeds from HRM's land reserve account. From time to time, additional funds can be leveraged/borrowed for special projects (e.g., the extension of Wright Avenue); however, during peak periods of activity, the Business Parks Office (TPW) does not have enough working capital to finance the road infrastructure to keep up with demand. The emergence of the private sector in the development of the Bedford Commons, Dartmouth Crossing and Bedford West Business Campus offers the potential to leverage these developers for certain development types: retail and office space, for example.

HRM Business Park Office staff manage new development, including the development of concept plans, infrastructure planning and lot sales, while the HRM Planning and Development Department manages the development approval process under the applicable municipal planning strategies and land use by-laws. Pricing for lots in HRM's Business Parks is based on market value, and recovers the costs of lot preparation and marketing and sales costs. Regional Council sets land prices in Business Parks. Lots are sold for the development of business facilities only.

Review of Development Trends. A literature review of trends in North American business parks was conducted to understand the issues that HRM faces. Major trends include:

- Most (80%) of new office construction in North American cities is located in the suburbs, although there is still strong demand in some employment sectors for office uses downtown. Certain businesses need to be downtown (e.g., nearshore financial services), while others will only consider suburban locations (e.g., Research in Motion in HRM). HRM needs to be able to respond to both.
- Retail evolves in response to changes in economic and societal conditions. There is a gradual shift to add entertainment and lifestyle elements to big box retail developments. This shift responds to the increasing number of time-challenged Baby Boomers who want to eat and be entertained while shopping. The difficulties in implementing this concept in Atlantic Canada are our harsh winter weather and modest income levels.
- Warehouse space is evolving in order to respond to changes in the logistics supply chain. Rising fuel costs are placing emphasis on rail, and improved truck distribution systems (tandem/double trailers). As a result, transportation infrastructure needs to accommodate larger trucks. Inland ports and logistics hubs are being created adjacent to distribution gateways; this is an opportunity for HRM to leverage the Port of Halifax.
- Real estate development in general is incorporating more mixed use. While residential uses are incorporated into high end business parks (office and retail space), residential uses are not compatible with traditional light industrial and warehouse space (e.g., manufacturing and distribution).
- As cities grow, large parcels of serviced land for commercial development become scarce. As a result, many businesses move to centrally located business parks. This steady increase in demand is generating concern in some municipalities about the need to preserve industrial land.

Survey of Canadian Business Parks. A survey of business parks in Canadian cities was undertaken to understand what issues are facing other municipalities, and how they are addressing them. The most significant issues identified included: the huge demand for new infrastructure, the need for more public transportation, incompatibility of land uses, erosion of industrial land for other uses, and overloaded road infrastructure/traffic. These issues are similar to those being faced by HRM at the present time.

The Role of HRM and the Private Sector. In the 1960s and 1970s, it was believed that municipal and provincial involvement in business park development was needed to provide a consistent supply of affordably priced land. Initially, several companies developed private industrial parks; however, as government began selling land at a subsidized price, the private sector could no longer compete and government bought out these parks. The Municipal Government Act after amalgamation required HRM to eliminate land subsidies, and since 1996, land prices have slowly risen to market rates. Recently, the province made a policy decision to extricate itself from the development of new business parks, although it continues focus on its two major business parks in HRM (Woodside and Sackville), and has an interest in leveraging the port at Sheet Harbour.

The study notes that there is a disconnect between HRM's business park development strategy and its economic development policy (which targets the growth of the port, the defence sector, life sciences, and nearshore financial, for example). HRM has recently created the Halifax Atlantic Gateway Logistics Park to address the logistics sector, but more work is needed to target other key growth areas. Given the recent emergence of the private sector in the retail and office markets, and HRM's inability to keep up with the demand for business park land during peak periods of demand, HRM should revise its policy objectives for business parks. The consultants recommend the following:

- Allow the private sector to take the lead role in the development of land for retail and office space. Any development of this type of land should be secondary to HRM's main focus.
- HRM to focus primarily on the development of general light industrial land.
- HRM to partner with various stakeholders to focus on core economic growth segments (e.g., Halifax Port Authority and/or a logistics park developer for an expanded logistics park; Halifax Airport Authority for aviation and aerospace product).

- The Greater Halifax Partnership (GHP) to take a lead role in ensuring alignment between economic growth policies of HRM and its business park activity.

Future Demand for Office Space. Employment projections for the period from 2010 to 2026 indicate that the HRM economy will generate another 23,000 jobs over the next two decades. As these projections do not include a large influx of nearshore financial jobs, however, the total number could be higher. When these projections are converted into jobs, the low level estimate is a demand for 1.7 million SF of new office space in the Capital District and Halifax Peninsula over the next two decades. While the availability of land in the downtown has been questioned, there appears to be more than enough business park land for suburban office space to meet this demand, especially with the involvement of the private sector in this segment of the economy.

Future Business Park Expansion. An analysis on lands within HRM was conducted to identify locations suitable for the construction of new business parks. The analysis suggests that there are some areas with good suitability for future business park uses; however, these areas are not abundant, therefore there is some urgency about securing the potential for future business park uses in these areas.

- The remaining Burnside lands show high suitability for business park use. Lands to the north of Burnside also show good potential for business park use.
- The suitability analysis shows substantial areas of suitable land remaining in Aerotech Business Park, but municipal servicing is severely constrained, thereby dramatically reducing the capability of this land. As well, much of this land is needed for the HIAA's third runway project.
- Bedford West Business Campus shows limited suitability for industrial development because of its proximity to existing residential uses; however, the office campus uses are well located, and should not present a conflict with residential uses.
- The remaining lands in Bayers Lake Business Park show unfavourable suitability for business park uses, although they can be developed if the sales price is high enough to cover the extraordinary development costs (from the blasting of bedrock).
- Ragged Lake Business Park remains almost completely undeveloped. The analysis shows good suitability for the proposed mixed use community previously identified in the Western Common Plan. The local MPS documents designate this area for a mixed use office campus, residential, and recreational development adjacent to a large wilderness area, although currently there is no servicing capacity for the majority of these lands.

Functional Plan: HRM Business Parks

Currently, HRM fulfills the need for the development of small, affordably priced, serviced lots for local businesses. Job creation by small businesses is a core part of the HRM economy, and HRM plays a valuable role in making affordably priced land available. For this reason, HRM should continue to play an active role in the development of business park land.

The following is a summary of the study's recommendations for the expansion and management of business parks within HRM.

Proposed HRM Business Park Policy Objectives. If HRM re-focuses its development efforts on specific market sectors, it can more effectively leverage the capacity of the private sector. HRM should focus its efforts on general industrial lands, leave retail development primarily to the private sector, and let the private sector focus on the development of suburban office campus lands.

Residential Development and Business Parks. The Regional Municipal Planning Strategy identified an opportunity for residential development in the area north and east of the Burnside Business Park and City of Lakes Business Park. Given the short supply in the industrial land reserve, the difficulty in finding good quality serviced land for industrial development, and the potential for incompatibilities, HRM should not promote residential development in or around industrial land uses. This means that HRM should not permit residential development on or adjacent to lands that are designated for industrial development, and residential development should not displace potential industrial land uses. Medium and high density residential uses, however, are compatible with an office/business environment and would be possible on privately-owned land in the Business Campus designation of Burnside. This arrangement would also help to meet the regional goals of balancing jobs and housing.

Rationalizing Existing Business Parks. High level recommendations include:

- Given the limitations of Aerotech for HRM, sell some lands to the HIAA for the development of a third runway and partner with the HIAA to develop the remaining lands for airport support uses;
- Allow additional retail uses in Bayers Lake; but retain enough land for light industrial uses on the Halifax side of the Bedford Basin;
- Prepare a master plan for Bayers Lake (including recommendations for Ragged Lake); and

- Given the potential of Sheet Harbour for marine industrial uses, prepare a master plan for this Park that leverages the existing port facility.

Partnerships. HRM should use partnerships to leverage its ability to meet its economic growth objectives. For example:

- Create key sector advisory groups for the business parks;
- Partner with the Halifax Port Authority and/or a logistics park developer to expand the existing Halifax Atlantic Gateway Logistics Park in Burnside to Phase 13;
- Partner with the Halifax International Airport Authority (HIAA) to fully develop the Aerotech Park;
- Partner with the federal and provincial governments to create office incubator space downtown; and,
- Use the skills of the HRM Business Parks Office to assist HRM in redeveloping the Cogswell interchange.

There are other strategies that HRM should consider to leverage its development capacity, including partnerships with the private sector to build out certain parks, and finance road construction. Council approval to use debt financing (used by other municipalities) would also assist HRM during peaks in construction activity.

Downtown/Suburban Office Balance. The study suggests that HRM should encourage downtown vitality by ensuring there is a supply of office space for those firms that require it (such as nearshore financial service companies), and by working with the Province and the federal government to rationalize government use of downtown office space. Expanding the existing Metrolink bus service is also a key strategy to ensure that downtown remains a competitive office environment.

Land Banking. The study identified the need for HRM to acquire more than 2,000 acres of raw land in the near term (augmenting the existing reserve) to assure an adequate supply of serviced industrial land for the next 50 years.

Land Pricing and Sales. Over time, and as the market allows, land prices should reflect the replacement cost of raw land and, ideally, the net useable area of the lot being sold. Costs can be lowered and land efficiencies increased by reducing the land required per building. HRM should tailor their site preparation for the users; for example, offering pre-blasted, graded and serviced lots to small users and large un-

graded parcels to large developers, who can then masterplan and develop their site in a coordinated manner.

Marketing and Sales. The Greater Halifax Partnership has a role to play in the marketing and promotion of HRM business parks, by coordinating the liaison groups for key sectors and ensuring sector growth is included in business park land planning. The HRM website is a useful informational tool, provided that it is updated frequently. HRM should enter into a marketing and servicing agreement with the Province for the Provincial Business parks in HRM, in order to make serviced lands available to the business community in these locations. Land auctions for new phases are suggested to ensure the continued transparency of the sales process, and to increase the amount of competitive bidding, which will maximize sale prices.

Transportation. Given the level of discontent with existing transportation options in Burnside and Bayers Lake, HRM should commission an alternative transportation plan for both parks, and undertake a streetscape planning study for core areas of the parks. With regard to bus routes, HRM should allocate sufficient resources to Metro Transit to allow them to improve route planning (possibly a re-allocation of existing bus routes). Burnside also requires an internal bus shuttle and bus terminal.

Functional Plan: Burnside Business Park

The Functional Plan suggests the need to provide more clarity on the types of land uses that are allowed within Burnside and other parks such as Bayers Lake. The principles that underlie the Generalized Future Land Use plan for Burnside are: protecting industrial land; differentiating the uses currently permitted in industrial areas and giving priority to light industrial uses; and securing land for future industrial development.

- The **Light Industrial** designation provides for a range of traditional industrial park uses such as warehousing and distribution, and light manufacturing. This designation covers most of the existing development in the older sections of the park.
- The **General Industrial** designation provides for a range of industrial uses (for example, heavy manufacturing, metals fabrication and food processing) that need to be separated from the rest of the park to minimize their impact on other users. Commercial and office uses are discouraged.
- The **Harbour Industrial** designation protects areas along the Harbour with deep water access for uses such as shipping, ship repair, and offshore supply.

- The **Distribution** designation provides for inter-modal freight transfer, distribution warehousing and trucking that require oversized road infrastructure.
- The **Business Campus** designation directs office uses and business services to the business campus area. Design standards will ensure a high quality environment.
- The **Commercial** designation provides for commercial and office uses to front major streets throughout Burnside and in Dartmouth Crossing.
- The **Harbour Commercial/Residential** designation allows for a mix of commercial and residential uses along the shallow portion of the Bedford Basin.
- The **Environmental/Open Space** designation is intended to protect valued natural areas, primarily watercourses and wetlands.

Major recommendations supporting the Land Use Plan include:

- Differentiated land use zones and a site plan review process should replace site development standards.
- Infrastructure standards should differ based on proposed land uses. For example, roads need to be wider in the Distribution Industrial area to facilitate truck traffic. Development density in the Business Campus needs to be increased with minimum heights, maximum parking ratios, and an increased level of urban infrastructure (sidewalks, benches, etc), in order to make this area more functional.
- The MPS should be amended to allow for the expansion/rationalization of the current City of Lakes Business Park.
- The new site planning criteria should reduce current parking requirements in the Business Campus.
- HRM should create an advisory body to inform major decision making in the Burnside and Bayers Lake Business Parks.
- Liaison groups for key economic sectors should provide input to ensure that HRM business parks provide the infrastructure needed to grow these sectors. The GHP would coordinate the activities of these liaison groups.
- Funding for the GBBA should be formalized in order to leverage the activities of this group.
- Transportation to and within Burnside should be improved, including introducing a free shuttle bus within the park and building a central bus terminal.

1.0 INTRODUCTION

The business parks in HRM provide large parcels of reasonably priced, serviced land to industries and businesses in central locations; they are a key part of the regional economy. HRM and the former municipalities have been servicing and selling land for industrial and business purposes for decades. Although the previous policy was to sell land at a discount (by providing subsidies) in order to attract business and create jobs and a tax base, the Municipal Government Act disallowed this practice after amalgamation in 1996. Since that time, land sales prices in the business parks have been increasing, and today are at market levels.

As prices for business park lands have increased, private sector developers have entered the market and started to compete for certain market segments, such as retail and office space. The development of Dartmouth Crossing has generated a large amount of interest in private retail space, and two new business campuses (West Bedford and The Ridge) promise to attract similar interest in office space development.

From HRM's perspective, participation by the private sector is welcome. HRM's business parks office has a limited amount of capital for land development, so they are unable to keep up with the demand for serviced lots in Burnside during periods of peak sales activity. In an effort to leverage available assets and funds, HRM Business Parks has previously sold large parcels of raw land to the private sector for commercial land development, and is contemplating this again at the Bayers Lake Business Park. Meanwhile, the developer of Dartmouth Crossing has requested the purchase of 140 acres of lands reserved for Burnside Park to develop residential housing. Given the potential for this type of arrangement, HRM wonders what other options might be available to help them leverage new development within the business parks.

Although development activity is quite active in Burnside and Bayers Lake, it has been less robust in Aerotech Park and Ragged Lake, due to a moratorium on land sales. The Province owns land in a number of regional business parks, including Woodside, Sackville, and several along the Eastern Shore. Some of these parks have infrastructure deficits that need to be addressed before more land can be sold. While these parks are provincially-owned, HRM is responsible for land use regulation and is interested in seeing these facilities developed as a way to allow economic growth to occur. HRM has previously offered to assist the Province in the marketing and sales of land within these parks; however, an agreement has never been reached between the parties. A plan is needed to rationalize these issues, identify solutions, and set priorities for implementation.

In addition to the issues associated with developing and servicing land, the Burnside and Bayers Lake business parks are maturing, and are now major employment nodes within HRM. Burnside in particular is unique in having more employees that any other place in Nova Scotia except Downtown Halifax. The Burnside business community is now seeing redevelopment occurring in the older parts of the 40 year old park; they are concerned that new development will be compatible with existing businesses. Infrastructure and amenity requirements have also changed over the years, and now users are demanding sidewalks and walking trails, bus service and other more urban amenities. The formation of the Greater Burnside Business Association (GBBA) has brought a new sense of urgency to these issues, as the group is now advocating for employers/employees in Burnside, and there is pressure for HRM to begin managing change in the older parts of Burnside. Bayers Lake has also become a victim of its own success, as transportation volume issues are threatening to bring new development to a halt unless the HRM comes up with a plan to manage future growth.

1.1 OBJECTIVES OF THE STUDY

This report has the following objectives:

- To implement the Business Parks Functional Plan, a key component of the Regional Municipal Planning Strategy;
- To build upon recommendations of HRM's 2005 Business Park Assessment and Growth Plan, which provides direction to HRM's business planning and long-term capital investment planning in relation to HRM business parks;
- To guide HRM's decision making relative to the ongoing management of strategic initiatives, partnerships and demonstration projects; and
- To undertake, as Phase I of the Business Park Functional Plan, a detailed set of management guidelines for Burnside Business Park and City of Lakes Business Park which will facilitate the preparation of budgets for programs, services and facilities consistent with the strategic growth and other objectives of the Regional Municipal Planning Strategy.

1.2 ORGANIZATION OF THIS REPORT

Chapter 2, Background, provides contextual information including: a summary review of documents related to business park development; a description of business parks in HRM; and a summary of the existing development process in business parks in HRM.

Chapter 3, Stakeholder Consultation, provides a summary of the stakeholder consultation process undertaken for this plan, and illustrates the issues identified by stakeholders in HRM Business Parks.

Chapter 4, Business Park Development Trends, provides a review of development trends in North American cities related to business parks, and the results of a questionnaire distributed to various business park officials across the country.

Chapter 5, Real Estate Market Analysis, provides a real estate market analysis for business parks in HRM, in the context of HRM's economic situation and current policies.

In Chapter 6, Analysis of Potential New Business Park Lands, summarizes the analysis used to identify new business park land and presents results and recommendations from the analysis.

Chapter 7, Functional Plan: HRM Business Parks contains regional–level recommendations for HRM business parks**. Chapter 8, Functional Plan: Burnside** presents a future land use plan and recommendations for Burnside.

Appendix A presents summaries of background documents reviewed for this study;
Appendix B presents one page summaries for each business park in HRM;
Appendix C provides a list of individuals interviewed for the study;
Appendix D provides a list of references consulted for this report;
Appendix E contains a business parks questionnaire form and compiled answers; and
Appendix F contains the industrial suitability maps prepared for the study.

2.0 BACKGROUND

2.1 FUNCTIONAL PLAN POLICY REQUIREMENT

HRM's Regional Municipal Planning Strategy (RMPS), approved by Regional Council in June, 2006, is intended to provide a guide for the future development of HRM over the coming decades. The Regional Plan is being implemented through a variety of mechanisms, including the development of 23 functional plans that will provide detailed management guidelines building on RMPS policy on a variety of issues including, but not limited to the environment, affordable housing, transportation, culture and heritage, municipal infrastructure, and HRM Business Parks.

An important intent of Regional Plan policies is to support the development of policy and plans that direct future growth to employment nodes such as the region's business parks (HRM Regional Municipal Planning Strategy, Section 5.3). The business parks functional plan is intended to assess topics key to the development of the region's commercial and industrial base. It will also serve as a strategic plan for the future expansion of HRM business parks.

2.2 BACKGROUND DOCUMENT REVIEW

This section provides a brief summary of several background documents considered important for the context of this report. A more detailed overview of each of these documents is presented in Appendix A.

***HRM's Regional Municipal Planning Strategy* (2006) -** HRM's Regional Plan provides the land use planning framework for the municipality, upon which future secondary planning strategies will be based. The policies of the plan attempt to direct growth to compact centres, provide for environmental protection, and support the development of economic hubs such as business parks and industrial lands. "Business/industrial park" sub-designations established by the plan are intended to provide priority for a mix of industrial, commercial, service and support uses in existing business parks and their expansion areas.

City of Lakes Business Park is identified as an Urban Local Centre (a mixed-use transit-oriented community with mixed housing types, office, retail and institutional uses, as well as parks, trails, community gardens and public open spaces) within the Urban Settlement Centre designation. In the RMPS, consideration is given to the potential of

using the areas north and east of Burnside Business Park and City of Lakes for a mix of medium to high density residential land uses to be integrated with commercial and office uses to create a "vibrant and accessible urban village." The plan suggests limitations to prevent residential from becoming the predominant land use.

***Dartmouth Municipal Planning Strategy and Land Use By-Law* (1978)**. The development of the Burnside Business Park and City of Lakes is currently guided by the MPS for the City of Dartmouth, the municipal planning jurisdiction before amalgamation. The MPS designates these parks for general industrial use (with I-2, general industrial zoning), permitting general business uses including warehousing, distribution and other industrial enterprises. The plan supports the development of City of Lakes Business Park as a high profile, prestigious office and business location. Dartmouth MPS policies direct office density either to the downtown core, or to the City of Lakes Business Park. Policies limit the amount of residential development along the Burnside waterfront (Wrights Cove) to protect this area for marine industrial development.

***HRM Active Transportation Functional Plan* (2005)** – The Active Transportation Plan proposes an active transportation (AT) network for HRM. It recognizes the importance of providing better AT connections for Burnside, given its importance as a regional employment node. The plan recommends a five kilometre on-road bike lane as part of the Burnside-Sackville expressway.

The *North Dartmouth Planning Study* (1994) – This study, prepared prior to the development of what is now known as Dartmouth Crossing, examined a 1,700 acre tract of land between Lake Charles and Burnside Business Park, which was identified as a potential expansion area for Burnside Business Park (two thirds of this land was owned by the City of Dartmouth, while the remainder was owned by the Whebby Interests. The study concluded that the land directly to the west of Highway 118 was unsuitable for industrial development because of a requirement to direct storm and sanitary sewers to the Burnside system. The central and lower portions of the site were determined to be most suitable for business park development, while the central area was found to be well-suited for residential development.

(Note: City of Dartmouth council never accepted the recommendations on residential housing due to concerns about the loss of industrial land to the business park. Subsequent infrastructure investments related to Dartmouth Crossing have now remediated the municipal servicing constraints identified in the study.)

***Planning for the Western Common* (1999)** – This study examined former City of Halifax watershed lands around Ragged Lake that were declared surplus to the needs of the Halifax Water Commission once the Pockwock water supply was connected to the Lake Major water supply in Dartmouth. The major land use within this watershed was the Ragged Lake Business Park. The report identified a vision for this 8000 acre parcel of land, including the creation of a Wilderness Commons, and a mixed use community that included an office campus, residential lands, and a range of high quality recreational amenities (e.g., soccer fields and equestrian riding trails). A number of challenges were noted in the report, including a lack of direct access to Highway 103, and limited municipal water and sewer capacity in the area. These infrastructure constraints needed attention to realize the area's potential as a high quality area for residents to "live, work and play".

***Wrights Cove Land Use and Transportation Plan* (2006).** This plan was commissioned to allow HRM to respond to a growing number of rezoning requests for land along the Windmill Road corridor, between Burnside and the Bedford Basin (Wrights Cove). This plan reviews the potential for marine industrial development within Wrights Cove and concludes that development is only feasible on the outer portion of the Cove (i.e., on the Basin side of Navy Island). This conclusion recognizes the limited water depths of the inner Cove, as well as the inability to cost effectively dredge this area due to the presence of unexploded ordinance. The study recommended maintaining and expanding marine industrial uses in the outer portion of Wrights Cove; retaining existing single family housing at the end of Wrights Cove Road, and allowing some limited residential housing under strict conditions (e.g., sound attenuation standards). The study also recommends modifying the existing land use by-laws to control commercial development and mitigate negative effects from adjacent industrial uses. The study noted that construction of the Highway 107 extension (Burnside to Sackville) would improve traffic on Windmill Road, which sees more than 50,000 vehicles per day.

***Strategies for Success* (2005).** The current Economic Development Strategy for HRM, *Strategies for Success* (2005) provides strategies for achieving an exciting business climate. It recommends operating business parks with economic mandates, maintaining an adequate supply of industrial and commercial land and building types (including low cost facilities), and improving marketing of industrial space. The strategy also emphasizes retaining, expanding and attracting office uses in the urban core.

***Economic Potential of HRM and Halifax Harbour* (2004) -** The two main objectives of this study were to review the economic potential of the region on a sector by sector basis to support regional plan development, and to identify best uses for harbour land to support harbour plan development.

HRM's $10 billion economy is dominated by service sector activities. Recent economic growth has been strong, but may moderate in the next several years. Among the land use planning issues identified are:

- competition and conflict over use of waterfront land that may threaten potential industrial growth;
- a drift of office locations to the suburbs, with a loss of amenity and services downtown; and
- the dominance of big box retailing, undermining downtown retail vitality.

***Business Park Assessment and Growth Plan* (2005)** – The report presents conceptual plans for expansion, a financial strategy and an implementation plan for Burnside, Bayers Lake, Ragged Lake and Aerotech parks, based on conditions in HRM at the time, HRM's economic forecast for the region, and North American trends in business park development.

Some key general recommendations to HRM were to revise HRM's approach to pricing and financing land in business parks, to land bank, to stratify infrastructure standards in business parks, and improve transit and transportation access in the parks.

***Building the Container Transload Sector in Halifax* (2007) -** This study was prepared by Marinova Consulting in 2007, and examined the business case for a Transload Facility in HRM (i.e., a facility for the re-loading, re-packaging and warehousing of freight), identified suitable sites, and discussed project funding and marketing. The study was premised on the concept that building the transload sector in Halifax is critical to the success of the Atlantic Gateway concept, as it will increase cargo throughput in the port so that it can compete with larger volume ports along the Eastern Seaboard. The final recommendations concluded that Phase 13 of Burnside Business Park (i.e., the land north of the Akerley Boulevard Correctional Facility) was identified as the preferred long-term location for a stand alone Distribution Park (Distripark) with specialized infrastructure. Since this report was issued, the Halifax Regional Council has endorsed the concept of the Atlantic Gateway – Halifax Logistics Park at Burnside.

2.3 DESCRIPTION OF BUSINESS PARKS IN HRM

Of the fifteen business parks within the boundaries of HRM, six are municipally owned, seven are provincially owned, and two are privately owned. The municipally owned parks are Burnside, City of Lakes, Bayers Lake, Aerotech, Ragged Lake, and Lakeside. These parks are managed through HRM's Transportation and Public Works – Real Property division. The Provincially owned parks include Sackville, Woodside, Aerotech, Bedford, Eastern Shore, Musquodoboit Harbour and Sheet Harbour. These parks are managed through Nova Scotia Business Inc. (NSBI).

2.3.1 Burnside Business Park (HRM)

Burnside Business Park is approximately 3,400 acres in size, of which approximately 1200 acres have been developed. As the pre-eminent business park in HRM, it is the preferred location for many national and international companies. It caters to a variety of users from numerous sectors including office, warehousing, government facilities, and retail showrooms. According to the Greater Burnside Business Association, over 18,000 employees work in the park. With its concentration of employment, a number of support services have also developed, including restaurants, hotels and professional services. It is expected that Burnside will continue to be sought after by companies looking for land in Halifax, but after years of significant demand, land availability for future expansion is becoming a pressing concern.

2.3.2 City of Lakes Business Park (HRM)

The creation of City of Lakes Business Park was approved by Dartmouth City council in 1984 at the margin of Burnside Business Park to accommodate offices uses that did not desire or require a downtown location. The City of Dartmouth's objective was to "encourage the development of the business park as a high profile, prestigious office and business location" (Dartmouth MPS Commercial Policy 2(e)). Although building height was restricted at first to three storeys, in 1990 a height increase to permit five storeys was implemented to attract new offices, concentrate office development in the location, and increase the economic viability of new office development projects.

2.3.3 Dartmouth Crossing (Private)

The first retail developments in Dartmouth Crossing were opened in 2007 on this 511 acre site adjacent to Burnside and City of Lakes. The former Whebby quarry lands were redeveloped by North American Development Group as a combination of Big Box stores, a boutique retail development (modeled on the retail lifestyle centre concept), theatres, and restaurants. As of January 2008, 200 acres of the site were developed. In

2007, the developer sold about half of its developed holdings to a major institutional investor (CREIT).

North American Real Estate future plans for the remaining lands at Dartmouth Crossing include a number of uses, including a green office campus called 'The Ridge', a proposed multi-surface arena, and additional large format retail facilities. It is estimated that The Ridge office campus will provide approximately 700,000 SF of LEED silver office space in a dozen or more buildings surrounding the eastern side of Frenchmans Lake. Long term plans by the developer include further retail and office/industrial uses in the centre of the property similar to the existing development. The developer has also proposed a high and medium density residential development area of about 3,000 housing units on the northern portion of its property. In order to implement this proposal, the developer is requesting that HRM sell North American Real Estate 140 acres of the Burnside Reserve, and that HRM enter into a development agreement to allow residential development.

2.3.4 Bayers Lake Business Park (HRM)

Although Bayers Lake Business Park opened in the late 1980s, significant development did not occur until the early 1990s. The park was originally conceived as a traditional industrial park, but with the introduction of Costco in the mid 1990s, followed by Wal-Mart, Kent, and numerous other large format retailers, it has become a premier regional shopping destination. Of the park's 580 acres, 200 acres remain for future development. HRM is currently considering a proposal to sell 88 acres of this area (behind Kent) to the private sector; however, sewer and traffic capacity constraints may limit the full build out of the park. The high development costs associated with this area (due to the presence of granite and pyritic slate bedrock) make the development of the remaining land an expensive proposition.

2.3.5 Ragged Lake Business Park (HRM)

Ragged Lake Business Park, developed by the former City of Halifax Industrial Commission in the late 1980s, is located on Prospect Road near Exhibition Park. It was originally envisioned as a suburban office campus. One of its first tenants was Nova Scotia Power's regional operations facility. Due to relatively poor accessibility, poor visibility, limited servicing capacity, and competition with Burnside Business Park, it has never really taken off. There are no serviced lots currently being offered for sale due to water and sewer capacity issues, but there are over 700 acres of undeveloped greenfield. Although interest in land is starting to increase in this location, significant infrastructure improvements are needed before the park could be expanded: access to

Highway 103 will need to be improved, and according to HRM staff there is very little sewer capacity in this area. The conceptual land use plan for this area included a collector road through this park, connecting the Otter lake interchange with Highway 333. Much of the adjoining former watershed lands is designated as a wilderness park.

2.3.6 Lakeside Industrial Park (HRM)

Lakeside Industrial Park is approximately 115 acres in size and is completely sold out. It is located west of Bayers Lake Business Park on St. Margarets Bay Road. This park has catered largely to wholesale distributors; current tenants include Coca-Cola, McKesson, Loblaw's, and Nova Scotia Power. Because the park is close to Bayers Lake Business Park, some consideration was given to connecting the two; however, the facilities in Lakeside do not require high visibility or access, and many Lakeside industrial tenants have expressed concern about the impact of increased traffic. It is highly unlikely that a road connection would be possible from Lacewood Boulevard to the Lakeside Park, as this would require a bridge to cross Black Duck Lake; however, it might be possible to include a connection along the old railway line to St. Margarets Bay.

2.3.7 Aerotech Business Park (HRM)

Aerotech Business Park is located south of Stanfield International Airport along Highway 102. It was developed by the Municipality of Halifax County in the 1980s as a specialty park targeting the aerospace industry. Initially, the park met with success, as Pratt & Whitney and Northrop (now L3), built large manufacturing facilities. However, subsequent to these announcements, development activity subsided, because land use regulations restricted the development of non-aviation related uses. Although the original masterplan envisioned three phases of development on 2,500 acres of land, only the first portion of Phase One was ever built, accounting for 169 acres of development.

The future of Aerotech is in question. Although there is some demand for land at this park, and changes have been made to the land use bylaws to allow a wider range of development types, there are severe physical constraints to the development of the sewer and water systems. In addition, past agreements between Halifax County and the Halifax International Airport Authority (HIAA) require HRM to retain a certain amount of sewer and water capacity for the HIAA. Finally, the HIAA also needs a large portion of the reserve lands for the construction of a proposed third runway, and HRM has had some discussions about the potential to sell this land to the Airport Authority. Clear direction on this park is needed by the HRM Business Parks office.

2.3.8 Woodside Ocean Industries Park (Prov. NS)

Woodside Ocean Industries Park is located on Pleasant Street near the Circumferential Highway (Route 111), adjacent to Halifax Harbour. The park has a common user dock that provides direct deep water access to the harbour. The park was originally established in the 1980s to service the oil and gas sector, and initially enjoyed a significant amount of success. However, as oil and gas exploration subsided in the 1990s, the province began selling property for a variety of non-related activities such as a bowling alley and a Masonic hall.

The park is approximately 156 acres; the developed portions have completely sold out, and approximately 128 acres remain undeveloped. In 2006, Phase Three was transferred from the Province of Nova Scotia (Nova Scotia Business Inc) to InNOVACorp, which has plans to develop a biosciences park to support the life sciences sector in Nova Scotia. The recent construction of the new Ocean Nutrition manufacturing facility is the first step in this proposed build-out. One major constraint to the future development of this park is the lack of access from the new Mount Hope Interchange on Highway 111. According to representatives from InNOVACorp, any new serviced land will be sold at full replacement cost (i.e., market rates).

2.3.9 Sackville Business Park (Prov. NS)

The Sackville Business Park is located north of Sackville Drive, east of Cobequid Road, and west of Highway 102. It is owned by the Province of Nova Scotia, and was started in 1981 to serve the local Sackville area. However, with improvements in the highway transportation network (highway 102 & 101) in this area, the park now has regional appeal. There is significant development pressure to convert land in this area to retail and commercial uses.

Sackville Business Park is a mixed use park with a combination of light industrial, institutional, and office uses. Of its approximately 232 acres, 118 acres have been sold, 18 acres are developed and available for sale, and 96 acres are undeveloped. The Cobequid Community Health Centre was constructed in the park in 2004/05 on the site of a former correctional facility that was relocated to the Burnside Business Park, and JD Irving recently purchased 29 acres in the park for a large warehousing and distribution facility.

2.3.10 Bedford Industrial Park (Prov. NS)

Bedford Industrial Park, opened in 1972, is located on Trunk Highway 2 in Bedford, one kilometre east of Highway 102. The park caters to manufacturing and rough yard storage

uses. The park is fully occupied and serviced, with all lots sold with the exception of two lots currently being leased (3.93 ac). At one time, CN owned much of this park, but they have sold most of their holdings. Most of the park lands are now in the process of being transferred to the Nova Scotia Department of Transportation to accommodate the future Highway 107 extension. Approximately 13 acres of privately owned lands next to the park are zoned for industrial use, although at least one property owner is interested in rezoning their property from industrial to residential to allow for the development of housing.

Note: The Rocky Lake Development Association has purchased 44 acres of land adjacent to the Bedford Industrial Park, and has plans to build a triplex arena and a fieldhouse for indoor basketball, soccer, etc.

2.3.11 Bedford Commons (Private)

This 260 acre development mixed use development is being promoted by Banc Developments and is located at the intersection of Highway 102 and Duke Street, adjacent to the Bedford Industrial Park and Sackville Business Park. Phase One is well underway and includes a new Wal-Mart (completed in March 2007), a self storage centre, an 80,000 SF commercial/office strip and a Tim Horton's. The developer has also announced a number of other tenants, including the relocation of the Canadian Tire from the Bedford Place Mall, a Home Depot, 65,000 SF of additional strip retail/office, an adult living centre, and approximately 1000 units of multi family units and townhouses adjacent to existing residential areas.

2.3.12 West Bedford Business Campus (Private)

The West Bedford Business Campus is located at the intersection of the Hammonds Plains Road and Highway 102. The property was previously assembled by the Town of Bedford as a business site, and was the proposed location for the Bayer Blood Fractionation Facility in the mid 1990s. In 2004, HRM sold 48 acres to Research in Motion (RIM) for the development of a customer support centre. This facility will be completed in 2008, and will include 150,000 SF of space in a seven storey building that can house up to 1,200 employees. Learning from their past experience in Waterloo, ON, RIM deliberately purchased a site large enough to accommodate another three or four buildings.

Cresco Homes and Clayton Developments (Bedford West Holdings) have assembled another 125+ acres adjacent to the RIM campus, and have proposed a high quality suburban office campus. These lands are designated “mixed use business campus” in

the Bedford West Secondary Planning Strategy approved in 2006. In the long term, a campus style knowledge park environment is envisioned, allowing the integration of employment activities with public facilities and public spaces. It is expected that over 25,000 residents will move to the Bedford West area by 2030; the Campus will create an employment node for those residents.

2.3.13 Atlantic Acres Industrial Park (Prov. NS)

This business park was originally developed by the ABCO Group in 1973. Subsequently, the park was sold to Industrial Machinery Ltd in 1975, and then to the Province of Nova Scotia in 1982. The park's 122 acres are considered to be fully developed, with no serviced land remaining for sale by province (although there are some undeveloped lots owned by the private sector). The park's main street, Bluewater Road, extends from the Hammonds Plains Road to the Kearney Lake Road. The park is serviced with water, sewer, stormsewer and power. Major tenants include PPG Industries, several multi-tenant warehouse buildings, and a Command Record Centre. The Halifax Herald land-banked a 20 acre parcel of land, and completed construction of its new printing facility in 2007.

2.3.14 Musquodoboit Harbour Industrial Park (Prov. NS)

Musquodoboit Harbour Industrial Park, located on Trunk Highway 7, approximately 48km east of Halifax, was constructed in 1983 to service small locally owned companies in the area. The province owns a 16,000 square foot industrial incubator mall, designed to accommodate small start-up companies that could later expand into the undeveloped portions of the park. The province plans to sell the mall in the near term. Of the park's approximately 55 acres, approximately 33 acres have been serviced and sold, while just over 22 acres are available for future development. Water and sewer is obtained by on-site septic and wells. New road infrastructure (an extension of Rowlings Ave.) will be required to access the undeveloped land. According to a report completed by Halifax Global in 2006, this road construction would cost between $500,000 to $740,000 ($19,000 and $28,000 per acre). Extension of existing power lines is also required at a cost of approximately $25,000 ($1,000 per acre).

2.3.15 Eastern Shore Industrial Park (Prov. NS)

The Eastern Shore Industrial Park, located on Trunk Highway 7, approximately 4Okm east of Halifax, was constructed in 1982. This park is approximately 126 acres in size. Although 89% of the developed portion (68 acres) of this park are occupied, only 13.5 acres have been sold to tenants, with the majority of the site used for municipal infrastructure (e.g., sewage treatment, roads, easements, borrow pits, etc.). Although

the park has municipal sewer and water, both are problematic. Due to the small amount of development in the park, there is not enough sewage to warrant operating the sewage treatment plant on a continuous basis; this has created concerns about its future viability. In addition, water supply is an on-site non-potable water system, which is not satisfactory to some possible tenants.

As of the Spring of 2008, there are 57 acres available for future expansion. To date, three lots have been created and sold through the use of flag lots, although future development will not be possible without an actual extension of the Motts Drive. As well, the 14.5 acre borrow pit which could be redeveloped at some late date if demand warranted it. According to a report completed by consulting firm Halifax Global in 2006, the existing dirt road could be upgraded at a cost of approximately $1.3 million ($55,000 per acre), which would create access to 17 lots totalling 22.3 acres.

2.3.16 Sheet Harbour Industrial Park (Prov. NS)

The Sheet Harbour Industrial Park is located 112 km east of Halifax (via Highway 7) and 104 km south of New Glasgow via Highway 374. The main feature of the Park is a 500 foot berthing wharf on Sheet Harbour, with 34 feet of draught and 12.3 acres of common laydown area. The approach channel to the wharf has 11 to 15 metres of depth, and pilotage is available as needed. The port facility is managed by Cerescorp, which also manages the Fairview Cove Container Terminal on the Bedford Basin. The Park includes about 100 acres of land, and a 30 acre water lot. Most of the land has been sold; major tenants include: Northern Fibre Terminals, Shaw & Shaw, and Energy Resource Group. Major activity in the park includes the export of wood chips to Asia; Shaw & Shaw used the facility as a pipe coating yard for the Sable Offshore Gas Project. Four industrial buildings in the park provide just under 50,000 SF of warehouse space. Land is priced from $5,000 to $40,000 per acre.

2.4 SUMMARY OF EXISTING DEVELOPMENT PROCESS IN BUSINESS PARKS

The vast majority of the Business Park development in HRM is done by the municipality. This section describes the development process for the expansion and development of these parks, how they are financed, and provides an outline of the lot purchase and approval process that is currently applied to individual land purchasers.

2.4.1 Business Park Financing

The proceeds from the sale of lots in HRM's Business Parks are deposited in a business park land reserve account. The funds in this account are used to fund future development in HRM business parks. (Approximately 80% of the funds in this account are

generated by Burnside Business Park; more than 80% of the total funds are reinvested in Burnside.) Once sufficient funds are available in this account, they are used to expand additional phases of the parks. In other words, a "pay as you go" process is utilized to fund required capital improvements.

HRM has a policy never to borrow more than 80% of the debt retired in the previous years. This means that borrowing money to build infrastructure in the parks has to compete with other municipal priorities. From time to time this does occur (e.g., capital funds were advanced in 2007 to construct Wright Avenue).

The downside of this approach is that it makes it difficult for HRM staff to quickly respond to market demands, as it takes time for enough funds to be built up to proceed with infrastructure investment. This lack of access to capital has the effect of constraining the growth of the business parks during times of high demand for land.

2.4.2 Business Park Development/Expansion Process

The current business park development policy/approach is summarized below.

When park expansion is required, HRM Business Park Office staff first identify the most appropriate land for expansion. A number of issues must be considered, including water and sewer capacity, traffic capacity, and marketability. Once an appropriate property is selected, a development concept plan is produced, typically by a private sector engineering company. The concept plan includes road locations and pricing, water and sewer servicing, grading plans, phasing, and lot subdivisions plans. The concept plan is submitted to the HRM Planning and Development Department, which in turn circulates it to various municipal departments for review and approval, in the same process as review and approval of a private sector development proposal.

Once the concept plan is approved, the Business Park Office initiates a tender process for development of the required infrastructure, including roads, water, sewer, and storm water. Proponents must respond with detailed construction drawings and cost estimates. Once bids are received and the Business Parks office has identified the preferred proponent, construction drawings are circulated to various HRM departments and utility providers for review and comment over a 30 day period. Once this process is complete the tender and development program (including lot pricing and terms of use) is presented to Regional Council for final approval.

2.4.3 Individual Lot Purchase Process

The process of purchasing a lot in HRM-owned business parks is outlined below:

Step 1: Site Selection – The purchaser discusses the proposed development with HRM Business Park staff to determine the best location for the proposed use.

Step 2: Initial Deposit - Purchasers are required to submit a deposit in the amount of 10% of the listed lot price, and a letter to indicate the requested lot number and intent to purchase. With this deposit the lot is then reserved for the purchaser for a period of 45 days.

Step 3: Agreement of Purchase and Sale - During the 45 day period a purchase and sale agreement and a buy-back agreement are negotiated between the purchaser and HRM. If the purchaser and the Municipality cannot agree upon an Agreement of Purchase and Sale within the 45 day time frame and a mutually acceptable extension cannot be agreed upon, the Municipality will return the 10% deposit without interest and no further obligation to the Purchaser and at no penalty to the Municipality. The 45 day period is designed to give purchasers adequate time to perform required due diligence, and for HRM staff to obtain Director's approval to proceed.

Step 4 - Closing - The agreement of purchase and sale is subject to the purchaser submitting all documents to meet the specifications of the site development and building standards prior to closing the transaction. This includes a site plan, building elevations, landscaping plans, and parking layouts.

Once the purchaser has submitted all documents for the Business Parks acquisition process, they must go through a separate development approval process with HRM Planning and Development. The purchaser submits the site development proposal for review and obtains a development permit showing that they meet the intent of the land use bylaw, and building permits showing that they meet current building code and engineering standards.

2.4.4 Site Development Standards

Development in Burnside Business Park and City of Lakes is regulated by the *Dartmouth Municipal Planning Strategy* and the *Dartmouth Land Use by-law* (administered by HRM Community Planning Development Services staff); and the *Burnside Park Site Development and Building Standards* and the *City of Lakes Site Development and Building Standards and Restrictive Covenants* (administered by the Business Parks Office

of HRM). Approval of purchase for park properties is contingent on the purchaser submitting a site development proposal that complies with the applicable *Site Development and Building Standards,* which include compliance with municipal, provincial and federal building and site development laws and regulations. The following are selected excerpts from the site development and building standards for each park; for the complete documents, refer to the HRM website: http://www.halifax.ca/business_parks/parks/documents/SiteDev._BldgStandardsBurnside.pdf and http://www.halifax.ca/business_parks/documents/CityofLakesSDBStandardsrevisedNov1.pdf

Burnside Business Park

The purpose of the site development standards is to support the development of Burnside as a "mixed-use industrial and business park".

Service Connections

- Businesses are responsible for their connections to municipal sanitary sewer, storm water and water line laterals.

Site Coverage

- Minimum completed building area is not less than 10% and not more than 50% of site size.

Building Construction

- Minimum set back from front property line is 40 feet; side yard is specified in the municipal building by-law.

Parking

- On-street parking is prohibited.

Table 2.1 Minimum Parking Ratios in Burnside Business Park

Building use	Parking ratio
Industrial, warehousing and manufacturing	1: 2,000 SF floor area + 1: 200 SF office floor area
Business and professional offices	1: 600 SF floor area
Clubs, Lounges, restaurants	1: 100 SF floor space
Hotels	1 for each of the first 20 rooms, 1 for every four rooms over 20, and 1 for every 100 SF of restaurant
Motels	1: 1 unit + 1: 100 SF of restaurant
General retail	1: 300 SF floor area

All parking areas shall be asphalt paved and edged with concrete cuts. The location of curb cuts is subject to HRM by-laws. Parking areas should be arranged so that vehicles leave the property in a forward motion.

Loading and Unloading

- Areas for off-street loading and unloading are to be provided at the sides and rear of buildings.

Site Development Design Standards

- Site development should provide for the retention and preservation of existing features and take advantage of natural assets of the property.

Landscaping Standards

- A site development and landscaping plan is submitted with the site development proposal.

Exterior lighting standards are not mandatory.

City of Lakes Business Park

The purpose of the site development standards and restrictive covenants is to support the development of City of Lakes as a "prestige suburban office park".

Service Connections

- Businesses are responsible for their connections to municipal sanitary sewer, storm water and water line laterals.

Site Coverage

- Minimum completed building area is not less than 10% and not more than 50% of site size.

Building Construction

- Minimum set back from front property line is 40 feet; side yard is specified in the municipal building by-law.

Parking

- On-street parking is prohibited.

Table 2.2 Minimum Parking Ratios in City of Lakes Business Park

Building use	Parking ratio
Industrial, warehousing and manufacturing	1: 2,000 SF floor area + 1: 200 SF office floor area
Business and professional offices	1: 600 SF floor area
Clubs, Lounges, restaurants	1: 100 SF floor space
Hotels	1 for each of the first 20 rooms, 1 for every four rooms over 20, and 1 for every 100 SF of restaurant
Motels	1: 1 unit + 1: 100 SF of restaurant
General retail	1: 300 SF floor area

All parking areas shall be asphalt paved and edged with concrete cuts. The location of curb cuts is subject to HRM by-laws. Parking areas should be arranged so that vehicles leave the property in a forward motion.

Loading and Unloading

- Areas for off-street loading and unloading are to be provided at the sides and rear of buildings.

Outside Storage

- No outside storage is permitted.

Restrictive Covenants for City of Lakes

Development in City of Lakes is further regulated by Restrictive Covenants (forming Schedule "E" to the Agreement of Purchase and Sale), which run with the lots. The following are selected excerpts from the Covenants; for the complete document, please refer to the document, posted on the HRM website:
http://www.halifax.ca/business_parks/documents/CityofLakesCovenantsrevisedNov1.pdf

Among the restrictions, the covenants do not permit:

- buildings over five storeys without the Municipality's approval;
- hotels with fewer than 125 guest rooms;
- less than full service hotels;
- restaurants, retail and personal service uses, and light manufacturing uses, unless permitted at the sole discretion of HRM Real Property and under certain conditions; and

- outside storage or display of products.

Land coverage of the building's gross ground floor area must be not less than 20%. Exterior treatment must be glass, brick, cast in place concrete or pre-cast concrete.

2.4.5 Pricing Policy

Pricing for lots in HRM's Business Parks is based on market value, and to recover the costs of lot preparation and marketing and sales costs by the municipality. Regional Council sets land prices in Business Parks. Lots are sold for development of business facilities only.

Note: Under the terms of the municipality's buy-back agreement with the purchaser, the purchaser must commence construction not later than 12 months after the closing date and be completed not more than 24 months after the closing date, or the Municipality may re-purchase the Property. Other terms apply; for details, please refer to HRM's standard buy-back form:

http://www.halifax.ca/business_parks/documents/BPBuyBack08.pdf

3.0 STAKEHOLDER CONSULTATION

As part of the background research for this report, a variety of stakeholder consultation methods were used, including meetings with business park associations, interviews with developers and other business park users, and a workshop with more than 40 stakeholders. In particular, meetings were held with the Greater Burnside Business Association (GBBA), the Bayers Lake Business Association, and various individual stakeholders. An invited workshop was also held with real estate brokers, engineers, developers, and other real estate professionals who are active in the Burnside Business Park. This chapter provides a summary of the consultation, and highlights the information collected through this process. A full description of the consultations is presented in Appendix F.

3.1 GREATER BURNSIDE BUSINESS ASSOCIATION (GBBA)

The GBBA is a volunteer organization that was started in 2002 to promote, support and advocate for businesses and organizations within the Burnside Business Park. As of the Spring of 2008, the association had 117 members. The GBBA has a significant representative membership and a comprehensive understanding of development issues and potential solutions in Burnside. The consultants met with the GBBA executive several times over the course of this study.

The consultants were invited to a presentation by the GBBA to HRM staff and councillors on February 13th, 2008. At this presentation, each of the GBBA committee chairs presented a summary of critical issues for the operation and future development of Burnside.

3.1.1 Presentation by GBBA to HRM

The consultants attended at the presentation on February 13th by the GBBA to HRM Council members. The GBBA's sub-committee chairs gave an overview of the issues identified by their committees and the action they were requesting from HRM. Concerns were raised about the quality of park infrastructure; the inadequacy of zoning; truck movements; heavy traffic; the need for a 'green' approach to development and operations in the park; and the need for improved alternative transportation (transit and sidewalks, for example).

3.1.2 Meeting Between the Consultants and the GBBA Executive

The consultants met with members of the GBBA Board on Feb 19th, 2008 to present an overview of the Functional Plan, and to explore with the Board in more detail the issues

that had been related to councillors previously. The discussion was based around a written summary of the issues that the GBBA had compiled and circulated to its members and to councillors.

Appendix E contains a table summarizing the issues and solutions for future development in Greater Burnside, as articulated by the GBBA. The issues raised included:

- Infrastructure considerations should include energy, information technology, public transit and active transportation, in addition to roads, sewer and water.
- Burnside needs to be developed to reinforce its competitive advantage.
- Current traffic (truck and car) problems within the park need to be improved in the short term; chronic traffic issues need to be addressed with a long term solution.
- Energy efficient building construction and energy self-sufficiency need to be promoted within the park by offering tax rebates and other incentives to property developers.
- Waste disposal needs to be improved.
- Public transportation needs to be improved and better accommodated within the park.
- Active transportation options need to be broadened.
- Business parks need an organization with business representation for oversight.
- The GBBA needs more funding.
- Communication with HRM needs to be improved.

3.2 BURNSIDE STAKEHOLDER WORKSHOP

A large workshop involving stakeholders (developers/owners, contractors, architects and engineers, real estate brokers, park tenants, and representatives of the parks associations), councillors, members of the Steering Committee, and the consulting team was held to introduce the Functional Plan project and issues related to business parks in HRM. The workshop encouraged discussion and solicited feedback on identified issues, and identified solutions for future development and sustainability.

Discussion results are grouped into four categories:

HRM's role in future supply of business park land and link to economic development
HRM should focus on the industrial sector, decrease its activity in office development, and leave retail and residential development to the private sector. HRM should be active in land banking for business park expansion, keeping a 2-3 yr inventory. Large

parcels of land should be offered for sale. Office parks (City of Lakes) should be sustained and added to.

Zoning and Site Development Standards
Zoning should be updated and should incorporate site development standards; restrictive covenants should be reviewed and updated. Tiered zoning would buffer adjacent private lands from industrial uses. Design standards could distinguish office areas such as City of Lakes. Sales/development negotiation should be transparent.

Transportation
Burnside needs better public transportation to get workers into the park, and a central bus terminal and independent shuttle service. The area also needs: sidewalks and a pedway to Highfield Park, bike trails, and car pooling. Road turning radii are too tight, and the weigh station should be relocated. Traffic flow issues could be solved with: advanced green left turns; a Burnside-Sackville extension; zoned area for trucking; limiting road construction to evenings and weekends; considering better locations for Tim Hortons and other drive-throughs. An idle-free Burnside should be promoted.

Governance
Currently, there is no opportunity for public consultation in the development process; an advisory body to council on development could be constituted. There was a suggestion for the land sales arm of HRM to be independent of land use regulation. HRM needs to track land availability and sales. The minimum land price should be the cost of servicing. Lots should be offered for sale through an auction process.

3.3 BAYERS LAKE BUSINESS ASSOCIATION

The consulting team met with the Bayers Lake Business Association to understand issues that users of Bayers Lake Park consider significant. The following issues were raised:

1. Poor pedestrian connectivity with nearby neighbourhoods makes it difficult and unsafe for pedestrians.
2. Significant traffic congestion exists.
3. Vehicle (especially truck) navigation is difficult because of poorly planned road medians.
4. Communication between park users and tenants and HRM regarding development and planning is poor.
5. Concern was expressed regarding the proposed expansion of the park behind Kent: because there was no open tender call and small parcels may be difficult to obtain.

6. Participants suggested creating an additional access point to the park to help address traffic congestion; installing pedestrian infrastructure such as sidewalks; installing more bus pull-off areas; and coordinating the timing of traffic lights.

3.4 STAKEHOLDER INTERVIEWS

A number of individuals were interviewed over the course of the study. Appendix C is a list of those interviewed.

3.5 SUMMARY OF ISSUES

Table 3.1 summarizes the issues regarding Business Parks that were revealed during the consultation process.

Table 3.1 Summary of Issues in Business Parks in HRM as Identified by Stakeholders

Zoning, Land Use Control, and Site Development Standards
– current zoning is outdated: needs to keep pace with market changes
– site development standards should be incorporated in zoning
Business Park Infrastructure
– road infrastructure standards need to be revisited to ensure they fit land uses/ vehicular use
– public transit and other alternative transportation options within and to the parks are poor
– there is a lack of amenities for employees: e.g., sidewalks, restaurants, bus service, bike lanes/trails
– high traffic volumes and signficant congestion
– poorly located drive through coffee shops create congestion from lineups
– internal truck movement is hampered by narrow road widths, small radii, medians
– weigh scales in Burnside should be on a main thoroughfare
Land Supply
– concern with loss of land for industry esp. heavy industry
– low industrial land inventory; HRM land banking inadequate
– need to maintain office space; sustain and add to City of Lakes
– site preparation by HRM is currently unsuitable for users
Governance and Communications
– poor communication between HRM staff and park employees, owners, tenants, and organizations
– perception of transparency in purchase process, park planning and funding could be improved
– public consultation in development process could be improved
– a business organization to advise HRM on business parks is required
Identity
– City of Lakes and Greater Burnside need their own identity: use design standards to distinguish areas

4.0 BUSINESS PARK DEVELOPMENT TRENDS

This chapter includes a review of development trends in North America, with a focus on development as it relates to business and industrial parks. The chapter concludes with a summary of implications for development in business parks in HRM.

Economic globalization has changed the character of North American cities, which are now characterized as "post-industrial," and in which geographic location and physical infrastructure are less important than the mobility of capital. Globalization has influenced the distribution sector as the flow pattern of goods changes. Manufacturing is increasingly locating outside of North America and products are imported through major ports of entry.

In the past several decades, downtown economies have moved from manufacturing-based, to information-based, to culture-based. Cities in general are attempting to draw capital by making themselves more economically attractive, by improving culture and leisure amenities, or by image branding.

Understanding North American trends helps to reveal the issues HRM is likely to face as it continues to grow. A literature search conducted for this study identified trends in office, retail, manufacturing, transportation and warehousing.

4.1 OFFICE

Most New Office Construction is in the Suburbs. Historically, the majority of all office space was built in a central business district (CBD) location. Although office space is still the dominant land use for most downtowns, there has been a substantial increase in the amount of suburban office construction since the early 1980s (much of it in Business Parks), while scant new office space has been created in central business districts.

A study conducted by Torto Wheaton Research looked at the supply of office space in the 50 largest metropolitan markets in the United States during the 30 year period from 1968 to 1997. The results indicate that during this time period, the total supply of suburban office space grew four to five times in size, while the supply of downtown space only doubled. The effect of this shift was that the percentage of space that was considered suburban grew from less than 20% of the total market supply, to just over 60% during a 30 year period. During this same time frame the total supply of downtown

office space doubled, but as a percentage of the total supply, it dropped from 80% to 40% of the total market.

Another study by the Brookings Institute[1] came to similar conclusions, including the following points:

- Between 1979 and 1999, cities' share of metropolitan office space significantly diminished. In 1979, 74% of office space was found in central cities and only 26% was found in suburbs. By 1999, the central city share of office space dropped to 58% while the suburban share grew to 42%.
- Metropolitan commercial office space is no longer found within a few high density clusters. While 38% of all office space in 1999 was located in a metropolitan area's traditional downtown, nearly the same amount (37%) was found in highly dispersed, "edgeless" locations lacking well-defined boundaries and extending over tens if not hundreds of square miles of urban space.

Suburban office space in North America has accounted for 80% of all absorption since 1980[2]. In general, suburban office space is expected to continue to outgrow central business districts by a wide margin. One of the important issues is that high-tech office tenants have typically required large floor plate, low-rise buildings, which have a flexible internal layout and which encourage employee interaction. The requirement for low rise buildings has caused tenants to locate in business parks rather than city or town centres. Central area office space, while not expected to grow as rapidly as suburban office space, does present transit advantages and a critical mass (particularly for higher profile financial and business services). The most recent office user studies indicate that employees also want access to windows; this in turn means smaller floor plates and taller buildings may soon become more desirable.

This shift to suburban locations is also quite evident in Canada and Halifax. For example, Jones Lang LaSalle reported that over 14 million SF of office space was built in the Greater Toronto Area (GTA) between 2000 and 2006, with 90% of this space developed in the suburbs[3]. Colliers International indicated in September 2006 that 22

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[1] Robert E. Lang. 2000. Office Sprawl: The Evolving Geography of Business. Brookings Institution, Fannie Mae Foundation. October 2000

[2] The GVRD Office Market, Supply, Demand and Spatial Distribution, Royal LePage Advisors, December 2001

[3] Jones Lang LaSalle Canada, Globe and Mail Article, September 13, 2007.

office buildings will be completed in the GTA, with 19 of these in the 905 area code (i.e., suburban locations) versus just three in the downtown core[4].

The following table shows that the same phenomenon is true in Halifax. During the ten year period from First Quarter 1998 to 2008, the total supply of office space in Halifax grew by 2.3 million SF from 8.1 million to 10.4 million SF. Of this total amount of new construction, 2.0 million SF (87%) of this new supply was built in a suburban location. Although the total amount of office space with in the Halifax CBD increased marginally during this period, the supply of space in this location decreased from 57% to 47% of the total supply in HRM.

Table 4.1

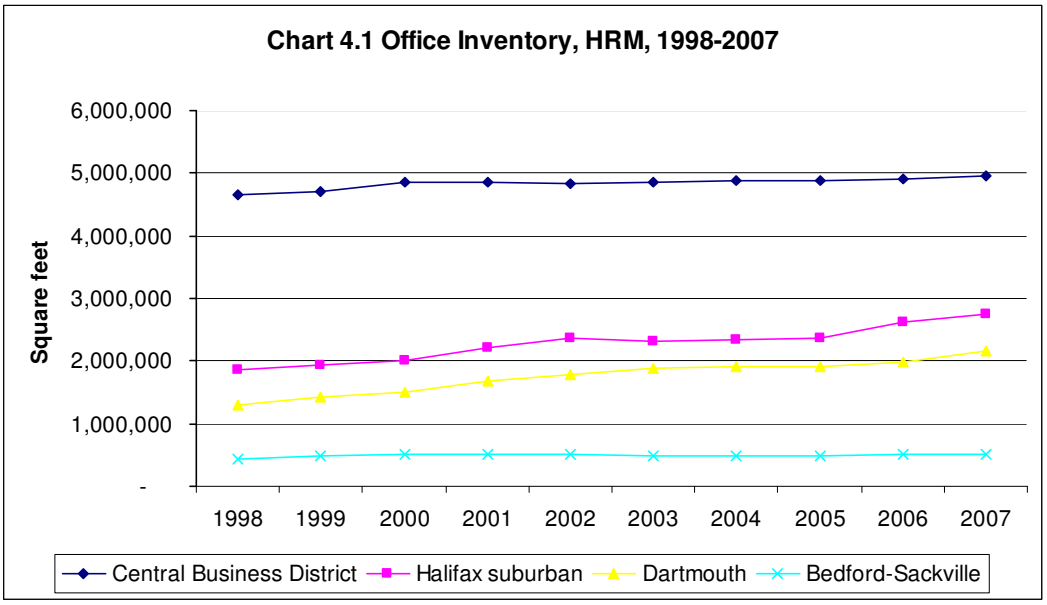
HRM OFFICE SPACE

	1998	2003	2008	Percent
Downtown Halifax	4,653,619	4,855,057	4,956,528	47.4%
Suburban Halifax	1,769,792	2,438,294	2,801,222	26.8%
Dartmouth	1,297,767	1,777,481	2,151,378	20.6%
Bedford/Sackville	445,058	517,656	541,755	5.2%
Sub-Total	8,166,236	9,588,488	10,450,883	100.0%

		98-03	03-08	Total
Downtown Halifax	N/A	201,438	101,471	302,909
Suburban Halifax	N/A	668,502	362,928	1,031,430
Dartmouth	N/A	479,714	373,897	853,611
Bedford/Sackville	N/A	72,598	24,099	96,697
Sub-Total		1,422,252	862,395	2,284,647

Source: Colliers International (Atlantic) Research

[4] Wong, Tony. 2006. 905 Building Boom. *Toronto Star*. September 8, 2006. http://urbantoronto.ca/showthread.php?t=963



Certain Businesses Still Demand Downtown Office Space.
Despite the trend to suburban office, there is still demand for office uses downtown by financial institutions and service firms, legal and accounting firms, government agencies, and head offices of major corporations. (This is the demand that NSBI is currently seeing from a number of nearshore financial service groups.) Vacancy rates have generally remained stable in most downtown areas, and in fact Halifax is seeing historically low vacancy rates as of the first quarter 2008.

Although gross rental rates vary widely between downtown and the suburbs, trends in vacancy would suggest that a segment of the marketplace considers a downtown location to be desirable and perhaps essential, regardless of cost (i.e., there is a low elasticity of demand). Many firms need to be located close to clients or in specific locations to conduct business effectively. (For example, small companies that service Aliant or Emera and require proximity to the these companies downtown offices; and large firms of trial lawyers who need to locate near the Water Street Law Courts, as the cumulative travel cost of commuting to a remote location would greatly affect the economic efficiency of their firm.)

The vertical density of a central business district will continue to provide opportunity for meetings and spontaneous interaction (e.g., bumping into clients on downtown streets and pedways), thus generating more business and providing a reason to stay downtown. In addition, companies such as large financial firms require a prestige

downtown location in order to maintain a high profile. Land use regulations reduce the potential for incompatible uses.

In the Toronto area, some large downtown tenants have left for the suburbs; however, in some cases, a move to the suburbs was created by a need for more space, not cost. Some firms do not abandon a downtown office location entirely, but move parts of their operation to the suburbs.[5]

Businesses in Suburbia are Dispersed Among Smaller Nodes.
Suburban offices may be scattered or clustered into nodes. "Office nodes" refers to suburban office activity in focused locations such as office parks (City of Lakes), along arterials and transportation nodes (Armdale Rotary), around shopping centres (Village at Bayers Road) and in other places with specialized activities such as airports.

In a few very large markets suburban office nodes have developed to the point where they are starting to resemble traditional downtown centres. (These areas are often referred to as "Edge Cities": for example, Mississauga, Ontario.). There is not enough office space in HRM for these areas to be characterized as Edge Cities as of yet, as a true Edge City has a minimum of five million SF of space..

4.2 RETAIL

Retail Constantly Evolves in Response to Cultural and Societal Trends.
Post WWII, there was a large amount of wealth generation in the United States and Canada. Both countries built a national highway system, and the falling cost of automobiles allowed many families to relocate to new suburban residential communities in the 1950s and 1960s. After this shift, developers noticed that residents were commuting downtown to shop, and created the enclosed shopping mall format to capture this market. Although these trends took longer to manifest themselves in the Halifax market, there is a clear link between the construction of Clayton Park and Colby Village/Portland Estates and the development of the Halifax and Bayers Road Shopping Centres and the MicMac Mall.

The late 1980s and early 1990s were characterized by a significant recession, thus pushing the general public away from Yuppie consumerism, to a more cost-conscious retailing environment. With the advent of Wal-Mart and discount warehouse clubs, it

[5] Ibid.

became a badge of honour to discuss how much money was saved on a particular item, rather than to brag about how much something cost. The effect of this shift was a need for inexpensive land with access to 100 series highways and residential suburbs. Large sterile warehouses were built with no-frills racking-display systems, and "self help" check out lanes. It was during this period that many traditional department stores floundered (e.g., Eaton's) as they could no longer offer the cheapest price for department store type merchandise, but also did not excel in product selection or service.

Although the big box format has not yet been totally supplanted, during the late 1990s time starved baby boomers with demanding jobs started looking for ways to multi-task while shopping. This ushered in the era of entertainment retail, with theme restaurants (e.g., Rainforest Café), large format theatres and café bookstores (e.g., Chapters). The latest version is now a combination of big box and entertainment retail called Lifestyle Retail Centres. Becoming very popular in the US (and increasingly in Canada), Lifestyle Centres are modelled on the traditional "main street" marketplace, with a variety of uses to provide a live, work and play environment. Lifestyle Centres are distinguished from the standard mall by the implementation of a significant architectural program, through which the designer attempts to create a place with a theme and image, and an open air configuration. Lifestyle Centres usually focus on very affluent consumers (usually 250% of the local average household income) by locating close to affluent neighbourhoods, incorporating upscale national chain specialty stores, and providing time saving amenities such as curb side parking[6]. The format is an upscale combination of high end fashion retailers, home furnishing tenants, entertainment uses and sit-down restaurants; food is a big driver of traffic to lifestyle centres. Lifestyle Centres tend to promote walking within the development.

Lifestyle Centres are central to retail development in the US but are relatively rare in Canada. To date, it is difficult to draw conclusions about their future success. In the American Midwest, these centres tend to provide more moderately priced apparel and home décor concepts typically found in the average mall or power centre[7]. Eateries also reflect the moderate chain fare, not the highbrow menus and wine lists of upscale

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[6] Lifestyle Centers, *Urban Land Magazine*, Gregory R. Gunter, February 2002.

[7] Shopping Hydras: Morphing of Lifestyle and Power Retail, *REIS Insights: Commentary and Analysis*, Therese Byrne, July 15, 2003. www.reis.com/insights/insights.cfm?id=2529&rc=1

malls. As Dartmouth Crossing evolves, this is probably closer to the version we are likely to see in Atlantic Canada.

In addition to these retailing trends, there continues to be a small niche market for high quality main street retailers, who provide excellent product selection and knowledge (e.g., Duggers Men's Wear, Pete's Frootique). These retailers understand that there is a segment of the market that will pay for product quality and selection. It is unlikely that lifestyle centres will become competitive for these retailers.

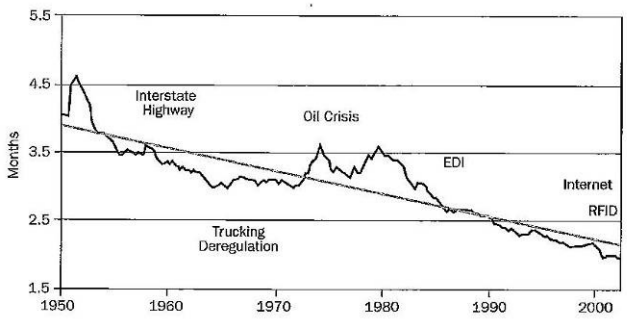
Decreases in Retail Spending are Affecting Retail Real Estate Demand.
A decrease in discretionary retail spending (currently occurring in the US) is felt first by high-end discretionary retailers (e.g., luxury cars, high end clothing, etc) versus commodity-type retail (grocery, pharmacy, basic clothes and shoes). In Canada, retail spending is still strong, but the precarious position of the US economy will influence the situation here. In the US, many retailers are now facing difficulties as home prices have fallen in many markets, thus taking away homeowner's ability to refinance their homes to obtain tax free equity for home improvements. However, the anticipated transfer of wealth to baby boomers from their parents may provide an additional influx of funds which will be spent on home improvements, travel and other luxuries. In the near term, retail development should slow down as retailers ride through the economic slowdown. In the long term, however, retail is very dynamic, and new trends will continue to force retailers to re-invent themselves regularly.

4.3 TRANSPORTATION AND WAREHOUSE

Warehousing is Changing in Response to Transportation Technology.
As a percentage of economic activity, warehouse space requirements have dropped by about 60% in the last 60 years, due to much more efficient supply chain management (i.e., manufactured product is spending less time in storage), logistics, and improved transportation and handling.

During the 50 year period from 1950 until 2000, warehouses and retailers were able to reduce their inventory from a 4.5 month supply, to just under a two month supply. The decrease in static inventory has resulted from the construction of better highway infrastructure (allowing faster delivery); point-of-sale software and electronic data interchange (allowing manufacturers to respond more quickly to changes in demand); and, most recently, improved supply chain logistics and the use of new technologies such as a radiofrequency identification (RFID).[8]

Figure 4.1 **Historic Inventory to Sales Ratios**



Source: Bureau of Economic Analysis. Chart reflects data through June 30, 2003.
©2003 AMB Property Corporation.

Warehouse space is still in demand, however. "Just-in-time" inventory is not appropriate or practical for all industries: many small to midsize companies require standard warehouse space without the very high ceiling heights (24 to 30 feet) common in newer warehouses; and distribution systems require supply backups, or safety stock, when breakdowns and delivery occur because of human induced or natural disasters (e.g., 9-11 or Hurricane Juan).

As truck trailers grow larger, warehousing bays are increasing in width and height; some facilities incorporate loading docks on both sides of the building.

Warehouses are Relocating to the Periphery of Most Cities.

As cities grow, many older warehousing facilities are being relocated to peripheral locations (typically business parks). These older facilities are being pushed out of core areas by higher value uses as land prices increase, and attracted to lower land and labour costs, and less restrictive development legislation in the suburbs. As well, due to changes in trucking methods and warehouse construction, many older warehouses are being abandoned in favour of newer facilities with higher ceilings, in areas of business parks that have access to wider roads.

Inland Ports and Logistics Hubs Adjacent to Distribution Gateways. As retailers try to reduce distribution costs, logistics companies become more involved in the supply chain. Traditionally, the distribution of goods was dependent on the place of production. Today, distribution centres are located based on access to suppliers and customers, and are increasingly more dependent on major hubs such as airports, seaports, and highway intersections. Access to these gateways is becoming more critical, and the ideal location has access to air, water, highway and rail. Although primary hubs have received most of the attention in the past, there is a trend towards secondary hubs and inland cities[9].

Growth in Cargo Focused Airports. Air cargo rates are expected to grow faster than passenger traffic in the future. As a result of space and operational constraints at large hub airports, new security concerns and the increasing emphasis on separating passenger and cargo operations, there is growing interested throughout the world in cargo focused airports[10]. This is a market that the HIAA is focused on growing.

Ports are Establishing Distribution Warehouses Close to Port Facilities. Distribution warehouses for transload (the transfer of cargo from foreign to domestic containers for delivery to local markets) attract larger volumes of cargo to a port, increasing the market.

Transportation Infrastructure Has to Change to Accommodate Larger Trucks. The shift from 40 foot to 53 foot containers made some existing streets in Burnside obsolete for trucking because the corners weren't wide enough to handle the longer trailers. It would appear that this is going to happen again, as trucking companies move to tandem 53 foot trailers in order to reduce the cost of gasoline. Future business park development should take this shift into account.

In Halifax, warehouse and distribution activity provided a fair amount of growth during the early development of Burnside and Lakeside. Over time, many of these distributors have consolidated their facilities, and busy ones continue to expand. Fastfrate and Armour transportation have recently constructed new facilities in Burnside's Phase 12. A transload facility is proposed for Phase 13 of Burnside.

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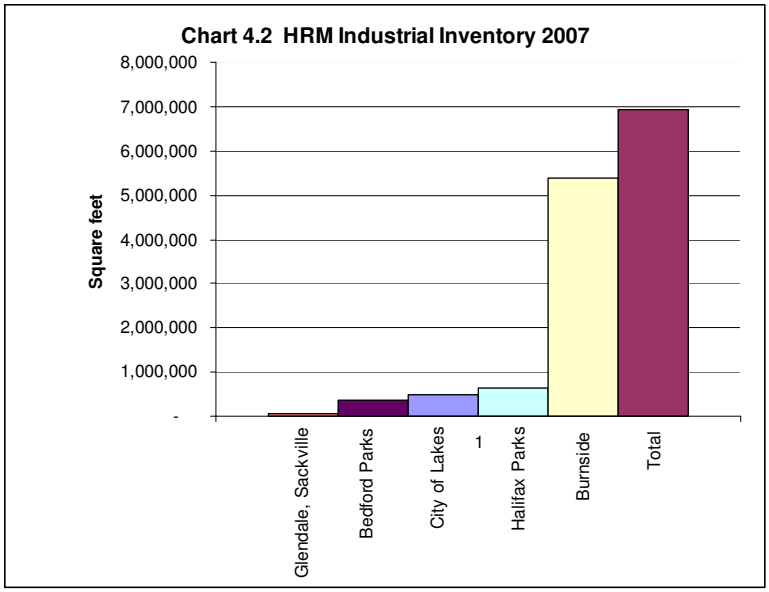
[8] McMahan, John. 2007. *Professional Property Development*. New York: McGraw-Hill

[9] *Just in Time Real Estate*, Urban Land Institute, 2004, page 59.

The current distribution of industrial space (including warehousing and manufacturing) throughout business parks in HRM is shown in Chart 4.2. Burnside has more industrial space than all of the other parks put together.



Source: Colliers International (Atlantic) Inc. Research

4.4 MANUFACTURING

Manufacturing Has Declined Throughout Most of North America. The global movement to manufacturing in low cost, low wage countries such as rapidly industrializing India and China has meant that local manufacturing is in decline in most areas. Manufacturing (including fabrication and electronics) has never been a large part of the HRM economy. We have a small population and are too far removed from most of the large population centres (i.e., manufacturers like to be close to the populations they serve to keep transportation costs low). Employment in the manufacturing sector is small (employing approximately 2,000 people in 2001), and declined from 1991 to 2001. Manufacturing growth is expected to be slow, given the influence of globalization.[11] Therefore the functional plan should not have to anticipate the need for land for manufacturing facilities.

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[10] Ibid, page 83-85

[11] Gardner Pinfold Consulting Economists Ltd. 2004. *Economic Potential of HRM and Halifax Harbour.*

Many Industrial Parks Are Now Known as "Business Parks". Many industrial parks that previously only contained industrial uses are evolved into mixed use parks with a range of land uses; these industrial parks have been renamed as business parks to reflect the increased amount of office space and service sector tenants. As a result, business park locations are becoming more acceptable for a wider range of businesses, thus increasing demand for land.

There is Increased Concern about the Need to Preserve Industrial Land. Although industrial parks were originally developed to isolate obnoxious uses that might have negative influences on residential areas, due to improved environmental regulations, there are fewer of these uses than in the past. As well, as cities continue to grow, finding large parcels of serviced land becomes more difficult. As a result, business parks are attracting a wider range of users. The effect of this broadening of the appeal of business parks is that demand has never been stronger for well serviced business parks land. The risk of this is that unless municipalities actively acquire more land for the expansion of these parks, they could face an industrial land shortage in the future.

4.5 OTHER TRENDS

Real Estate Development is Incorporating More Mixed land Uses. The renewed interest in mixed use developments has been driven mainly by a public preference for these types of developments. Residents and employers are realizing that they don't want to get into a car every time they need to run an errand. Mixed use projects offer a number of benefits, including: a more pedestrian-friendly environment, and a more interesting and enjoyable experience. Developers prefer mixed use projects, as they can intensify the use of their properties, which is an advantage when land and construction costs are high. Mixing uses in a development may also create market synergies.[12]

Downtowns are Becoming Neighbourhoods. Although there has not been a lot of new office development in downtowns over the past few decades, since the early 1990s the residential population of many downtown areas has increased dramatically. Residents are attracted to downtown for a variety of reasons, including cultural amenities, restaurants and pubs, and close proximity to work. In Toronto, residential space is

[12] McMahan, John. 2007. *Professional Property Development*. New York: McGraw-Hill.

growing much faster than downtown office space[13], while in Vancouver, residential development has been so strong that city council has banned new residential development, in order to preserve space for future office towers. HRM should anticipate that this trend will continue, and that as long as residential housing doesn't crowd out high quality sites for new commercial buildings, this type of development can strengthen downtown: it provides more 24/7 activity, and creates a larger residential base for employers to draw from.

Real Estate Fundamentals Still Very Strong. By historic standards, mortgage interest rates are still quite low, and institutional portfolio managers are still allocating a large portion of their overall funds towards real estate. For many of these fund managers, industrial real estate is preferred, as the market is efficient and construction can respond quickly when vacancies or effective rental rates change. As most long-term economic projections anticipate continued low interest rates, it is reasonable to assume that there will be a continued flow of funds into Greater Burnside and the Bayers Lake Park.

Real estate investment trusts (REITs) have access to a large amount of capital and they prefer industrial product. As these trusts can accept very low rates of return (cap rates), they tend to outbid smaller, local developers. In future, REITs will likely only invest in prime locations such as Burnside or Bayers Lake, because they need the protection of a good location if the market experiences a downturn. Large parcels (three to five acres) in prime locations such as Wright Avenue and Burnside Drive will be in demand. As REITs will accept lower returns, HRM should continue to charge higher rates for these lots so that less desirable interior locations can be sold competitively.

4.6 SURVEY OF CANADIAN BUSINESS PARKS

In order to determine how other municipalities in Canada are addressing the issues facing business parks in HRM, the consultants prepared a questionnaire to address a range of topics such as funding of business park expansion, zoning, permitted land uses, and infrastructure funding. The questionnaire form and compiled responses are included in Appendix E.

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[13] Bunting, Trudi and Pierre Filion. 2006. *Canadian Cities in Transition*. 3rd edition. Oxford University Press.

The questionnaire was forwarded to nineteen Canadian municipalities in eight provinces. Responses were received from St. John's, NL; London, ON; Kitchener, ON; Saint John, NB; Ottawa, ON; Abbotsford, BC; Guelph, ON; Barrie, ON; and Winnipeg, MB. The following is a summary of the results of the survey.

Park Ownership. Most of the business parks in the surveyed cities are municipally owned, although there appears to be a trend towards private development of business parks. For example, in London, ON, four of the city's 11 parks are privately owned and located adjacent to the municipally-owned parks; the City oversizes sewer and water pipes and upgrades road infrastructure in the area of municipal business parks so that the private parks can benefit from the enhanced infrastructure. Although most of Ottawa's urban business parks are municipally owned, all of the region's 16 rural parks are privately owned. The city of Kitchener no longer develops business parks; a large, privately owned, business park is currently being developed in Kitchener on a brownfield site. Five of Winnipeg's six parks are privately owned.

Infrastructure. New park infrastructure in municipally owned parks is funded in a variety of ways: through city funding, provincial infrastructure program funding, debt financing, and "creative deals" (such as land swaps for work in kind in Saint John, NB). Debt financing (in four of the eight cities) was the most common method of funding infrastructure.

Land Pricing. None of the surveyed municipalities subsidizes land sales, and most do not land bank. London ON is the exception: the City banks land on a regular basis for industrial parks, and tries to budget $800,000 per year for acquisition of new land.

Marketing. In all of the cities who responded, business parks are marketed by the municipality, or a public-private company.

Site Servicing. In all the cities, land is sold serviced; two of the cities (Saint John and Ottawa) also provide unserviced land as required.

Land Use Regulation. All of the cities regulate land use through zoning; Kitchener, London, Saint John and Winnipeg regulate through purchase and sale agreements; Kitchener, London and Saint John use restrictive covenants; London and Kitchener also regulate through development agreements. Zoning categories applied were light industrial, heavy industrial and office. (St. John's was the only municipality to use a

retail zoning category in business parks.) In most cities, land is allocated for specific uses such as heavy industrial, transportation and distribution.

Except for Kitchener, all of the cities with suburban office parks impose height restrictions (e.g., 12 -15 m).

Permitted Uses. None of the surveyed cities permit residential uses in business parks in general; however, Ottawa permits residential uses in areas dominated by offices, and Abbotsford permits residential uses only as accessory "caretaker uses". Retail uses are permitted in business parks in most of the cities; however, Ottawa, London and Kitchener restrict retail uses to accessory uses or as a small percentage of gross floor area.

Saint John, Ottawa, London and Barrie have established dedicated parks for heavy industrial uses, while other cities have not. London has one general/heavy industrial park to accommodate raw material processing facilities. Other obnoxious uses are controlled by the provincial ministry of environment; these uses may be permitted in municipal parks with provincial permitting.

Municipal planning strategies in Ottawa, London, Kitchener, Barrie and Winnipeg include policies aimed to cluster suburban office development.

Land Strategies. Most municipalities do not have a business park or industrial land strategy in place. Ottawa and Winnipeg are completing their first plans.

None of the surveyed cities has a business association active in the on-going management of business and industrial parks.

Trends. A range of trends was noted by the cities surveyed, including:

- An increase in transportation and warehouse distribution/logistics uses.
- A shift in uses from industrial to non-industrial uses, such as high density office and R+D. London noted pressure for conversion of industrial to big box retail and residential.
- Location-dependent changes that appear to be related to local or regional economic situations: for example, London noted the increase in auto parts, agrifood, and building materials manufacturing; Saint John noted an increase in metal fabrication; and Abbotsford noted the increase in airport related industry.

- Three cities noted a change in building type/ownership: Abbotsford and Barrie noted an increase in multi unit industrial buildings with condominium ownership; Winnipeg noted more lease back/build-to-suit activity. Winnipeg also noted an increase in the quality of park buildings and landscaping, and the inclusion of amenities for park employees.

Dominant Issues. Provision of infrastructure, public transportation, incompatibility of land uses, erosion of industrial land for other uses and road infrastructure/traffic were the most significant land use issues identified by the surveyed cities. Infrastructure funding was also cited as important by three municipalities.

5.0 REAL ESTATE MARKET ANALYSIS

5.1 HRM MACRO ECONOMIC OVERVIEW

HRM's $10 billion economy is dominated by the service sector, accounting for 83% of the regional gross domestic product (GDP). Key sectors are finance, insurance and real estate (23.5% of regional GDP); public administration including defence (12.5%), health services (7.7%%), information and cultural (7.0%) and retail trade (6.5%). Goods sector activities account for only about 17% of regional GDP: manufacturing (5.5%); construction (4.24%); and primary activities and utilities (7.45%).[14]

HRM's economic performance through the 1990s and the early 2000s was strong. HRM exceeds its share of per capita GDP in Nova Scotia, with 39% of the population generating about 47% of the provincial GDP. The region has experienced modest population increases compared with a slight drop for the Province as a whole. Employment growth in Halifax is similar to Canadian rates, but grows notably at twice the rate of the rest of the Province. The region's labour force participation rate is high and remains steady, while the unemployment rate (6.3% in 2006) is lower than the rest of the province (9.1 %) and the Canadian average (6.6%).

Table 5.1 HRM Employment Growth By Sector, 2001-2026

	1991	2001	Annual % change 1990-2001	2010	2026	Annual % change 2001-2026
Goods Sector						
Resources	2,200	2,500	1.36	2,550	2,700	0.32
Manufacturing	11,500	11,400	-0.09	11,800	12,600	0.42
Construction	10,000	10,500	0.50	10,500	10,500	0.00
Utilities	1,500	1,800	2.00	1,900	2,050	0.56
Services Sector						
Wholesale and Retail Trade	30,700	33,000	0.75	37,500	39,300	0.76
Transportation & warehousing	7,700	8,200	0.65	8,600	9,300	0.54
Information, culture & recreation	8,300	9,300	1.20	9,900	11,100	0.77
Finance. Insurance & real estate	11,500	13,000	1.30	14,300	18,100	1.57
Professional services	7,500	11,800	5.73	14,100	16,800	1.69
Education	12,900	13,500	0.47	14,150	15,400	0.56
Health	19,000	23,500	2.37	25,700	30,100	1.12
Accommodation & food services	10,700	14,100	3.18	15,400	18,100	1.13
Administrative support	12,200	16,100	3.20	16,850	18,000	0.47
Public administration	16,300	12,200	-2.52	12,750	13,800	0.52
Defence	13,500	9,400	-3.04	9,850	10,650	0.53
Total	**175,500**	**190,300**	**0.84**	**205,850**	**228,500**	**0.80**

Source: Gardiner Pinfold Consulting, Marinova Consulting and Cantwell & Co. 2005. Economic Potential of Halifax Harbour.
Note: Projections are latest available (Personal communication with Fred Morley, Greater Halifax Partnership.)

[14] 2001 figures. Source: Gardner Pinfold Consulting Economists Ltd., MariNova Consulting Ltd., Cantwell and Company Consulting Ltd. 2004. *Economic Potential of HRM and Halifax Harbour*.

Table 5.1 shows historic HRM employment growth by sector between 1991 and 2001 and provides a forecast of employment growth by sector for 2010 and 2026. Between 1991 and 2001, the HRM economy created almost 15,000 jobs, with most of this employment growth occurring in the service sector (9.2 %), with professional services (5.7%), accommodation and food services (3.18%), administrative support (3.2%) and health care (2.37%) providing the highest growth. During the same period, job growth in the goods sector was relatively modest (0.4%).

Employment projections for the 15 year period from 2010 to 2026 indicate that the HRM economy will generate another 23,000 jobs (i.e., the same 0.8% rate per year as the 1991-2001 period). As is typical of the HRM economy, this growth will not be dominated by any one particular sector, but rather will show growth from a range of service sectors, most notably: (FIRE) finance, insurance and real estate (1.57%); professional services (1.69%); health (1.12%) and accommodation and food services (1.13%).[15]

This growth projection reflects the major economic drivers within the Municipality, including: universities, defence, hospitals, public administration, and banking and insurance (most of these are located in the Capital District). Business parks serve to accommodate "significant industries", or those that provide vital support services to enable other industries to operate, grow and develop.[16] They also may emerge as drivers in the regional economy over the long term. Significant industries in HRM's business parks include: rail and truck transportation; warehousing; professional services; information and culture; and administration and support services.

The traditional industries in HRM's business parks are manufacturing (including fabrication and electronics), construction, and wholesale and retail trade. Employment in the manufacturing sector is small (employing approximately 2,000 people at the current time) and declined overall between 1991 and 2001. Manufacturing growth is expected to be slow, given the influence of globalization. Construction activity (employing approximately 10,500) is expected to remain stable over the long term. Wholesale activity is concentrated in Burnside and generated strong employment

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[15] Gardner Pinfold Consulting Economists Ltd., MariNova Consulting Ltd., Cantwell and Company Consulting Ltd. 2004. *Economic Potential of HRM and Halifax Harbour*.
[16] Ibid.

growth of 12% over the period from 1991 to 2001. Retail activity in business parks is increasing.

5.2 HRM ECONOMIC OBJECTIVES

The Province and the former municipalities in HRM established business parks in the 1960s and 1970s by to increase their tax base and create employment. Eventually, individual municipalities began competing to attract business by subsidizing land. As a result, the private sector was forced out of the development of business and industrial land. After HRM amalgamation in 1996, however, the provincial government (through the Municipal Government Act) removed the ability to subsidize land.

Since development of commercial land (and to some extent industrial land) is now a profitable venture, it is an appropriate time for HRM to review its practice of servicing and developing industrial/business park land. For example, as the private sector has demonstrated that it is willing to invest and service land for retail development in Dartmouth Crossing and Bedford Commons, there is a real question about whether or not HRM should be continuing to target this type of development. A disconnect between HRM economic development policy and its business park development strategy has also been demonstrated. For example, a major transload company was attracted to the region in 2006; however, the Business Parks Office (TPW) was not kept abreast of the situation, resulting in a delay in the creation of the serviced land for the company.

In order to ensure HRM has a sound fiscal and land use planning approach to development of business parks, HRM's role in the development of business parks, and its policies with regard to the parks, should be linked to HRM's current economic development strategy. A review of each of the identified growth sectors of the economy should be the basis for ensuring that adequate serviced land is available to meet the particular needs of each sector.

5.2.1 HRM's Economic Growth Strategy

This section reviews and summarizes key economic development sectors identified by the Greater Halifax Partnership (GHP), to determine land or buildings needed to attract employers in these sectors.

HRM's Economic Growth Strategy, *Strategies for Success* (2005), developed by the GHP and HRM, is intended to provide vision and direction for economic development in the region. Its five broad goals are:

- To generate upscale, high salary jobs in growth industries to build a stronger labour force;
- To leverage the creative community through strategic investment in social and cultural infrastructure;
- To create a "gung-ho" business climate that attracts smart, risk taking companies;
- To attract companies and people by capitalizing on HRM's reputation as a livable place; and
- To partner to improve the economic climate.

The Strategy recognizes the importance of HRM business parks to the regional economy and the challenges created by the lack of office and industrial space in HRM. The strategy encourages the consideration of new operating models for business parks that include a direct economic development mandate.

The GHP has identified several sectors in the regional economy[17] that currently provide employment for thousands of residents and which will play a major role in the future growth of the region. These eight "growth sectors" are: financial services; Halifax Gateway; aerospace and defence; advanced manufacturing; energy; environmental industries; information, communication and technology (ICT); and life sciences.

Of these, financial services, Halifax Gateway, aerospace and defence are the key sectors for which the availability of land and facilities in HRM business parks is critical; to a lesser extent, ICT and life sciences are also important.

5.2.2 Nearshore Financial Services

Greater Halifax has over 2,600 firms in the finance, insurance, and real estate (FIRE) sector which makes up almost 22% of provincial GDP. The sector employs almost 14,000 people in Greater Halifax, or 6.7% of the labour force, and is projected to grow to include 18,100 employees by 2026. Major companies currently located in Halifax

[17] Greater Halifax Partnership website. 2007. *Growth Sectors*. Available: http://www.greaterhalifax.com/en/home/halifaxprofile/growthsectors/default.aspx

include: customer contact centres for Manulife, Scotiabank, and CIBC, West End Capital and the regional headquarters for RBC Financial Group and CIBC.

In the past few years, the biggest story in this sector has been the influx of nearshore financial service companies from Bermuda and the Carribbean. Most of these companies have a pre-disposition to being in a downtown setting, as this is the norm for their industry.

5.2.3 Halifax Gateway

Halifax, as a continental gateway, is poised to become a major centre for container transload – a hybrid of distribution centered activity. Transload is important for both inbound cargo to feed national supply chains in central Canada and to provide containers for regional exporters. A new 90,000 square foot trans-load facility was opened by Consolidated Fastfrate in 2007, and the Armour Transportation Group is building a similar sized facility which will be complete in 2008.

In anticipation of this growth, HRM, the Halifax Port Authority, NSBI and ACOA have commissioned several studies that quantified the potential of this sector, and identified a strategy to build a Distripark in Burnside. With the leadership of HRM, the Atlantic Gateway Halifax Logistics Park is now a reality. FastFrate and Armour are the anchor tenants to this section of phase 12 of Burnside, and plans allow for a major expansion in Phase 13 which will have wider roads, and access to the Dartmouth Subdivision rail spur.

5.2.4 Aerospace and Defence.

The Aerospace and Defence sector now employs approximately 10,000 people and generates revenues in excess of $1.6 billion annually throughout the Atlantic region[18]. HRM is considered a regional hub for the industry, being home to numerous companies such as Pratt & Whitney, IMP Group International, Lockheed Martin Canada, and L-3 Communications electronics systems. HRM is also home to Canada's East Coast naval base, the municipality's largest employer, with over 9,000 employees. Major defence projects underway in Halifax include: the Maritime Helicopter Program includes a new $45 million training facility for Canada's new Cyclone helicopters; and, the Frigate Upgrade Program, which was awarded to Irving Shipbuilding in 2008, and will provide $549 million of work between 2009 and 2010. Many of these companies are looking at how they can use these existing contracts to further grow their industry.

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[18] CDR: Feb 2008, GHP website

In the 1980s Halifax County developed the Aerotech Industrial Park in an effort to create a high tech cluster of aerospace manufacturers near the International Airport. A stringent set of land use requirements were put into place that limited uses to those related to aerospace. Although two anchor tenants were secured in the park, including Pratt & Whitney and Litton Systems (now Grumman Northrop), the park has never been successful in attracting a significant number of additional aerospace tenants. HRM officials have recognized the problem and have indicated that they plan to change the park's zoning to permit a wider variety of uses.

According to representatives with the Aerospace and Defence Industries Association of Nova Scotia, one of the difficulties with the Aerotech Park is that it is rather isolated from suppliers, shippers, and where most employees live in HRM. Although some support services have been developed recently in the area (e.g., a number of new hotels), they are still quite limited. For example, due to the lack of restaurants in the area, some companies located in the Aerotech Park have been forced to subsidize in-house cafeterias for staff.

Currently most of the Aerospace and Defence industry in HRM consists of non-manufacturing activities (except IMP), such as software and high tech electronics development. These types of operations have different location requirements than aerospace manufacturing does. They do not have a need to be situated near an airport or a runway, but in fact, have needs more in line with IT and other knowledge based industries. These needs include: close proximity to where people live; access to a good transportation networks including public transit; access to reasonably priced serviced land; and close proximity to amenities such as hotels, restaurants, and recreational facilities. There are many locations within HRM that may meet the requirements, including the new West Bedford Business Campus, or the Burnside Industrial Park.

In the future, however, industry representatives are striving to grow the aerospace manufacturing business, which will require access to an operational runway. There are two potential options for to meet this requirement in the future: 1) establish adequate land resources and runway access for the industry at Aerotech and the Stanfield International Airport; or 2) preserve the existing runway and adequate surrounding lands in Shearwater. Both potential locations offer challenges.

The Stanfield International Airport is currently undertaking an aggressive growth campaign that is mainly focused on expanding passenger and freight services. With

rapid growth in these areas, runway access and adjacent lands may become limited, and it is possible that the HIAA may not see the aerospace manufacturing industry as a good fit. However, given that part of the Aerotech lands are required for runway expansion HRM may have a strategic opportunity to negotiate an agreement that allows airport expansion as well as access for aerospace manufacturing.

CFB Shearwater is an interesting situation that has yet to resolve itself. As part of their long term rationalization of facilities on the East Coast, DND relocated the fixed wing unit from Shearwater to Greenwood, and retained the rotary wing (Maritime Helicopter Program) at Shearwater. Once a runway for the heliport was selected and retained, approximately 600 acres of surplus land were declared surplus transferred from DND to the Canada Lands Corporation (CLC) for redevelopment. During 2007, CLC engaged local residents in a community planning exercise, which appeared to be heading in the direction of recommending the majority of the lands around the heliport for light industrial development, while the lands at the Eastern Passage end of the site could be developed for a new school and residential housing. A major right of way was also being set aside for the construction of a new collector road that would connect the Mount Hope Interchange (Highway 111) with the Cow Bay Road. However in the Spring of 2008, DND announced that they were re-thinking the divestiture, and requested that CLC stop the process and begin negotiations to re-purchase some of the land. Given this change, it is unlikely that the land at Shearwater will be available for private sector use in the near term, and even less likely that access would be allowed to the existing heliport runway (i.e., through the fence access). It is extremely unlikely that the runway parallel to Russell Lake would be repaired and made available to private industry.

Representatives of the Aerospace and Defence sector have indicated that the uncertainly associated with Shearwater, in combination with a fragmented government support system, has already resulted in the loss of numerous opportunities to competing centers in New Brunswick and PEI. In particular, PEI is becoming a location of greater interest due to well coordinated government support including educational programs at Holland College, and plenty of reasonably priced land in Slemon Business Park (1,500 acres) which has two runways and extensive hanger facilities.

5.2.5 Information and Communications Technology (ICT).

The rapidly growing industry in Nova Scotia is concentrated in Halifax, with 75% of the total provincial employment of 13,000 located within HRM. Halifax is home to over 400 ICT companies, and its 20 customer contact centres employee upwards of 7,500 people.

One reason many of these companies are attracted to Halifax is our large pool of IT graduates, with 800 IT students graduating from Nova Scotia universities each year. There are also fibre optic rings located throughout Halifax, and the region has been 100% digital since 1998.

Halifax is home to a number of support facilities, including: IBM Canada, SolutionInc, ArrowAdvantage and Research in Motion (RIM), who are just completing a new 150,000 SF facility at the West Bedford Business Campus, and has enough land to build another two or three buildings. Other software companies include Keane, Sapient, and Xerox.

5.2.6 Life Sciences Sector

The Greater Halifax Partnership (GHP) and Dalhousie Medical School established a Business Development Office to facilitate the commercialization of medical research, resulting in the formation of four biotech companies. In conjunction with NSBI and HRM, the Life Sciences Research Institute (LSRI) was created, and plans are being finalized for a new 150,000 SF medical research facility on University Avenue in Halifax.

While the LSRI is focused on applied research, InNOVACorp has developed the BioSciences Centre as an incubator facility to help the private sector run commercial trials of the applied research that is generated at or near the university. The last phase of this development cycle is full scale production, and in order to facilitate such a cluster, NSBI transferred 128 acres of the Woodside Industrial Park (Phase 3) to InNOVACorp as a high tech life sciences park. Ocean Nutrition (a subsidiary of Clearwater Seafoods) has purchased approximately 20% of this land and in 2008 will complete the construction of a new production facility. It is hoped that once this facility is up and running that it will attract more similar type activity.

5.2.7 GHP Business Retention Study

Research conducted by the Greater Halifax Partnership indicates that 80% of all new job growth within HRM is “organic growth” that is generated by existing companies (many of them small to medium sized local firms). As these firms expand and grow, they tend to become good consumers of land within the business parks (or in space built by developers within the business parks). Facilitating this growth should be a major focus of HRM’s efforts within the business parks.

5.3 EXISTING SUPPLY OF BUSINESS PARK LAND

The following table illustrates business park land holdings by the Municipality and the Province within HRM.

HRM Business Park Functional Plan

Table 5.2 Summary of Business Park Land (Acres), May 2008

		(a)	(b)	c	d	(e = a-b-c-d)	(f)	(g = e-f *.30%)	(h = e-f-g)
	Note	Gross Acreage	Land for Roads, Environment, etc.	Serviced Acres Sold	Serviced Acres Available For Sale	Unserviced Acres in Land Reserve	Less/Plus Land Allocated for Partners	Land (30%) for Roads, Environment, etc.	Total Net Acres for Future Development
Aerotech	6	2,430	100	169	100	2,061	1,137	277	647
Bayer's Lake	2,7	582	0	342	34	206	88	35	83
Burnside	1,8	3,400	See Note 1	1,088	105	902	0	271	631
Lakeside	9	120	5	115	0	0	0	-	-
Ragged Lake	2,3	1,236	5	46	7	1,178	0	353	825
HRM Total		**7,768**	**110**	**1,760**	**246**	**4,347**	**1,225**	**937**	**2,185**
Atlantic Acres	4,10	142	21	121	0	0	0	-	-
Bedford	4,11	121	18	103	0	0	0	-	-
Eastern Shore		126	26	13	6	81	0	24	30
Musquodobit	4	61	28	33	0	22	0	7	7
Sackville	4	254	23	117	15	99	0	30	45
Sheet Harbour	12	112	26	13	0	73	0	22	22
Woodside	4,5	428	64	268	96	0	0	-	96
Province Total		**1,245**	**207**	**668**	**117**	**275**	**0**	**83**	**199**
COMBINED TOTAL		**9,012**	**316**	**2,428**	**363**	**4,622**	**1,225**	**1,019**	**2,385**

NOTES:

1 Gross Acreage May Include Original Developments (Moosehead Brewery, etc), Road Set Aside Not Known
2 Bayer's Lake and Ragged Lake Gross Amounts, May in Fact be Net Land for Sale (without road set aside)
3 Land Available in Ragged Lake is an Estimate, Only 100 acres Are Within the Sewershed, and Have Treatment Plant Capacity
4 Land set aside roads, etc., assumed to be 15% of gross acreage
5 Assumes 25% of Woodside Phase 3 sold to Ocean Nutrition, The Remainder is Owned by INNOVACorp
6 HRM may sell 1,137 acres to HIAA. Remaining land has severe servicing constraints
7 HRM is contemplating selling 88 gross acres to PlazaCorp for retail
8 There is also an additional 60 acres landlocked between Highway 107 & 118
9 This Park is Fully Developed
10 2.29 acres are leased
11 3.29 acres are leased.
12 38 acres leased which may be available in 2008; 29.5 acres is a waterlot;

5.3.1 Municipal and Provincial Business Parks

In total, there are just over 9,000 gross acres of industrial and business park land in HRM, with HRM controlling 86% of this property. Based on these records, a total of 2,428 acres of business park land has been sold, with HRM parks accounting for 1,760

acres or 72% of the total. HRM has been selling an average of 50 acres a year since 2000; Provincial sales would be in addition to this amount.

As of the Spring of 2008, there were 363 acres of serviced land available for sale. There are also an additional 4,622 acres of lands in the combined land reserves for both groups, however HRM controls 94% of this supply. This reflects the move by the province to divest itself of land within provincial business parks in HRM.

However, the 4,347 acres of reserve land owned by HRM is somewhat deceiving, as a significant portion of this land is not available for development. This is due to increased enforcement of wetlands protection, which now accounts for 20% of all gross acreage, and a 10% set aside for roads. When these two amounts are combined, a full 30% of this gross acreage is no longer available for development (i.e., for every 100 acres of land, just 70 acres is left for sale).

In addition, there is a large amount of land in two major parks that cannot be counted on to help supply the future needs of the municipality. For example, at Aerotech Park 1,137 acres (56%) have been set aside for the construction of the third runway at the adjacent Stanfield International Airport, while another 277 (30%) acres has to be reserved roadways and environmental protection. In addition, the remaining 647 acres have serious sewer and water servicing issues that preclude the Park's immediate development (see Section 2.3.7 for a summary of the conditions in Aerotech and a discussion of the servicing issues).

Ragged Lake is another example of a large land reserve that may not hold much promise for the future development of industrial lands within HRM. Although this 825 acre parcel would appear to offer a large supply of land, the area has significant sewer capacity issues. In addition, the park does not compete well against Burnside's superior location and access to the highway network, as described in Section 2.3.5. Finally, HRM has a vision that the lands immediately behind this land reserve will be developed as a Wilderness Common (i.e., the Western Common), which brings into question the wisdom of allowing general light industrial in this location.

5.3.2 Private Sector Business Parks

As noted previously, the private sector is now expected to provide a significant amount of suburban office supply in the near term. To date, two new business parks have been announced in 2007/08, including The Ridge at Dartmouth Crossing, and the West

Bedford Business Campus. Although smaller, the Bedford Commons also has the potential to supply new business park type lands to the market.

Dartmouth Crossing. Dartmouth Crossing includes 511 acres of land. Although exact numbers are not known, it would appear that at least 50% of this land has already been developed, with another 60 acres set aside for their new office park (The Ridge). A 14 acre parcel is also being proposed for a new two rink arena. According to representatives associated with The Ridge project, they plan to construct approximately 700,000 SF of green (LEED silver) office space in about a dozen buildings in a new business campus on the eastern side of Frenchman's Lake. The land north of Wright Avenue is being proposed for a combination of new large format retail, and possible a 3,000 unit residential community (if HRM sells Dartmouth Crossing 140 acres of the Burnside Reserve).

West Bedford Business Campus. Clayton Developments and Cresco Homes (Bedford West Holdings) have allocated 112 acres of the Parks of West Bedford for a new business campus. They contemplate a development that includes 750,000 SF of suburban office space in a high quality campus setting. Bedford West has developed a comprehensive set of site development standards that should ensure a superior product, and with the momentum received from the new Research in Motion (RIM) facility, this is a suburban growth node that will grow rapidly over the next decade. The 150,000 RIM facility is now complete.

Bedford Commons. The Bedford Commons includes 250 acres at the intersection of Duke Street and Highway 102. The development already includes a new Wal-Mart, an 60,000 SF multi-tenant building, Tim Horton's and mini-storage facility. Future plans call for a new Canadian Tire Store, an empire theatre, a hotel,120,000 SF of multi-tenant space and as many as 1,200 units of housing.

5.3.3 Office Space Construction Activity

Table 5.3 provides a summary of the new supply of office space in HRM over the past decade.

Table 5.3

HRM OFFICE SPACE				
	1998	**2003**	**2008**	**Percent**
Downtown Halifax	4,653,619	4,855,057	4,956,528	47.4%
Suburban Halifax	1,769,792	2,438,294	2,801,222	26.8%
Dartmouth	1,297,767	1,777,481	2,151,378	20.6%
Bedford/Sackville	445,058	517,656	541,755	5.2%
Sub-Total	8,166,236	9,588,488	10,450,883	100.0%
		98-03	**03-08**	**Total**
Downtown Halifax	N/A	201,438	101,471	302,909
Suburban Halifax	N/A	668,502	362,928	1,031,430
Dartmouth	N/A	479,714	373,897	853,611
Bedford/Sackville	N/A	72,598	24,099	96,697
Sub-Total		1,422,252	862,395	2,284,647

Source: Colliers International (Atlantic) Research

From 1998 to 2008, the total supply of office space in HRM has grown about 25%, from 8.2 million SF to 10.4 million SF. Almost half of this new space has been built in suburban Halifax (e.g., West End Annex, Village at Bayers Road) while another 40% was built in Burnside. Very little new office space was built in downtown Halifax. During the past decade, the percentage of office space in downtown Halifax was decreased from 56% to 47% of the total market.

The following table provides a summary of office space constructed in the Halifax market in 2006, 2007 and schedule to be completed in 2008. The trends in 2006 and 2007 are consistent, and indicate new supply of just under 200,000 SF of space per year. Construction in 2008 appears to be an outlier, with just over 600,000 SF of space scheduled to be completed this year.

Table 5.4
Colliers International (Atlantic) Realty Advisors
Summary of Recent and Planned Office Construction within HRM
April 2008

BUILDING	DEVELOPER	2006	2007	2008	Planned
CENTRAL BUSINESS DISTRICT					
Halifax Seaport - Shed 22	Halifax Port Authority				60,000
Morris Tea (renovation delayed water damage)	Lou Reznick				28,000
Triangle Lands (plus 150,000 SF Hotel)	Crombie REIT				250,000
Halifax Herald Lands (7 storey mixed use)	Ramia Family				350,000
Tex-Park Lands (27 storey mixed use)	United Gulf Developments				40,000
Brewery (mixed use)	Halkirk Properties				8,000
Purdys Wharf	Great West Life				80,000
Birks Jewelers Site (Caucus Offices)	Province of NS				80,000
Sir John Thompson Building (renovation)	Canada Lands Company				90,000
Hollis, Water, Duke Street (Waterside)	Armour Group				70,000
Sub-Total		-	-	-	1,056,000
HALIFAX SUBURBAN					
Village at Bayers Rd. Tower	Ramia Family	73,687			
5 storey tower, Village at Bayers Rd.	Ramia Family			200,000	
5 storey tower, Bayers Lake	Armco Capital			78,500	
RIM Building	Research in Motion			150,000	
3 storey tower, Solutions Drive	Sun Life Assurance				48,000
Sub-Total		73,687	-	428,500	48,000
DARTMOUTH					
18 Acadia Street, Woodside	Scotia Surgery Inc.	24,000			
140 Eileen Stubbs Ave, City of Lakes	HOOPP Realty Inc.	14,400			
Garland Avenue, City of Lakes	ING Real Estate	35,000			
98 Williams Ave., Burnside	The Shannon Group	24,000			
Dartmouth Crossing	North American/Centrecorp		68,000		
"The Ridge" Office Campus - 700K in total	North American/Centrecorp				75,000
Evergreen Plaza	Evergreen Plaza Inc.		8,465		
Wright Place	OPB Realty		107,153		
5 storey Park Place V, City of Lakes	Armour Group			126,000	
Wright Avenue, City of Lakes	OPB Realty				40,000
Atboro House 2, City of Lakes (long range)	HOOPP Realty Inc.				80,000
Sub-Total		97,400	183,618	126,000	195,000
BEDFORD AND SACKVILLE					
20 Duke St	Larex Properties	13,378			
76 Temple Terrace	Barrington Brook Holdings Inc		5,584		
Bedford Highway	Rick Langille/Assante		9,664		
Bedford West Business Campus - Phase 1	Clayton Developments				50,000
Damascus Dr., Bedford Commons	Banc Properties			40,000	
Bedford Commons	Banc Properties				unknown
Sub-Total		13,378	15,248	40,000	50,000
TOTAL		**184,465**	**198,866**	**594,500**	**1,349,000**

Note: does not include government office buildings

Source: Colliers International (Atlantic) Inc. Research

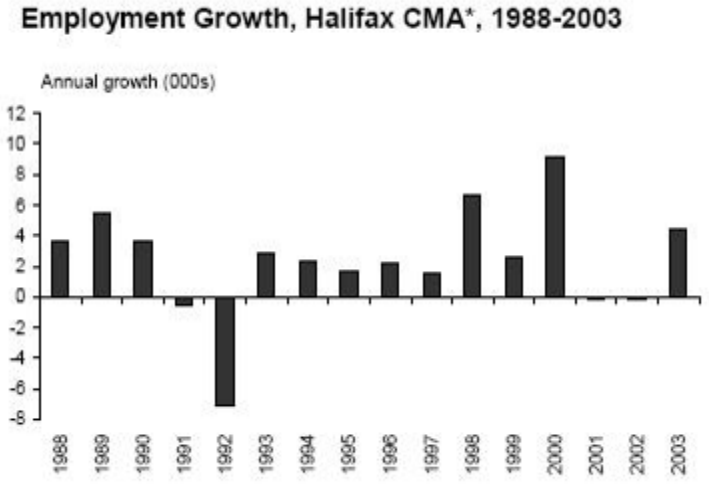
There are several reasons for the minimum amount of new office space construction in downtown Halifax. First, current office rental rates are not high enough to support the cost of expensive downtown construction. In addition, after the early 1990s recession, credit was tightened up, and loan-financing requirements now require substantial pre-leasing before lenders will commit to the project. Although recent employment growth has created demand for new office space, developers have been purchasing less expensive land in suburban locations and building inexpensive low rise buildings that are built to suit the needs of their new tenants. This quick response to market demand depletes the pool of tenants needed in order to pre-lease new downtown construction, thus making the construction of new space in the downtown core difficult to achieve.

5.4 FUTURE DEMAND FOR OFFICE SPACE

This section provides background information and analysis that can be used to help understand the future demand for office space in HRM. Although this should not be considered a detailed market analysis, it does provide some context to the future development potential of the region.

The following chart illustrates employment growth in HRM from 1988 to 2003, and demonstrates the cyclical nature of employment (note the recession in 1992). The point of this chart is that while space projections are quoted as "average space per year", it should be recognized that there will be years with little or no growth, and others where pent up demand is accommodated.

Chart 5.1



The following table presents an employment projection prepared for HRM by Gardner Pinfold Economists, in preparation for the Regional Plan. The table allocates the previously mentioned employment projections into four geographical areas: the HRM Capital District, Halifax Peninsula, Suburbs, and Rural HRM.

Table 5.5 Projection Employment Growth for HRM, by Location: 2001-2026

	Capital District	Peninsula	Suburbs	Rural	Total
Goods Sector					
Primary	-	-	-	200	200
Manufacturing	-	-	200	200	400
Construction	-	-	-	-	-
Utilities	-	50	50	-	100
Service Sector					
Wholesale trade	-	-	2,000	500	2,500
Retail trade	500	-	2,000	500	3,000
Transportation & warehousing	-	-	1,000	100	1,100
Information & culture	500	500	500	300	1,800
Finance, insurance & real estate (FIRE)	1,000	500	4,800	500	6,800
Professional & other services	2,000	1,000	2,000	-	5,000
Administrative support	500	-	1,400	-	1,900
Educational services	-	500	1,400	-	1,900
Health services	100	5,000	1,500	-	6,600
Accommodation & food service	2,000	500	1,500	-	4,000
Public Admin - Government	500	-	1,000	100	1,600
Public Admin - Defence	500	-	200	550	1,250
	7,600	**8,050**	**19,550**	**2,950**	**38,150**
	20%	**21%**	**51%**	**8%**	**100%**

Source: Gardner Pinfold Economists, HRM Economic Potential Study, 2004

Overall, this projection indicates that the HRM economy will create just over 38,000 jobs over the next few decades. This is a 20% increase over the 190,000 jobs in HRM as of 2001.

A subsequent study prepared by Clayton Research indicated a range of employment growth for the Halifax Regional Municipality[19], that ranged from a mid-point that mimicked the Gardner Pinfold work (229,000 employees by 2026), to a low of 210,000 and a high of 253,000 employees. For this analysis we will use the mid level estimate, as this appears to be reasonable given the long term difficulties in the labour market (i.e., the projected shortage of employees in the future).

[19] Employment, Population and Housing Projections for HRM, Clayton Research and Cantwell & Company, 2004.

This allocation of jobs by geographical area reflects the known location preferences of each sector, as well as assumptions made by the economists preparing the projections. For example, the majority of new jobs created in the health services sector will likely be located on the Halifax Peninsula, primarily due to the existing location of the QEII Health Sciences Center, IWK Health Center, and Dalhousie Medical School. Likewise, most retail and wholesale jobs are projected to be created in suburban areas (such as Dartmouth Crossing), similar to the growth seen during the 1990s in the Bayers Lake Business Park. Overall, the projections indicate a fairly even split, with just over 40% of all new employees locating in the Capital District or Halifax Peninsula, while a further 50% of all new jobs locating in suburban locations such as Burnside Business Park or the West Bedford Business Campus. Just 8% of future employment was projected to locate in rural communities of HRM.

The consultants then isolated those sectors of the economy that are known to generate demand for office space, and then applied a standard amount (square footage) of space per employee. The following table summarizes our assessment of the future demand for suburban office space.

Table 5.6 Estimate of Demand for Office Space in HRM: 2001-2026

	Capital District	Halifax Peninsula	Suburbs	Total
Employment Growth (2001-2026)				
Information & Culture	500	500	500	1,500
Finance, Insurance & Real Estate	1,000	500	5,300	6,800
Professional & Other Services	2,000	1,000	2,000	5,000
Administrative Support	500	-	1,400	1,900
Public Admin – Government	-	500	1,400	1,900
Total New Jobs Created (2001-2026)	4,000	2,500	10,600	17,100
Add: 25% for New Employers to Region	125%	125%	125%	125%
Total Projected Jobs (2001-2026)	5,000	3,125	13,250	21,375
Average Office Space (SF) Per Employee	225	225	225	225
New Office Space Demand (2001-2026)	1,125,000	703,125	2,981,250	4,809,375
Number of Years	25	25	25	25
Average SF Needed Per Year	**45,000**	**28,125**	**119,250**	**192,375**
Divided by Floor Area Ratio (FAR)			25%	
Land (SF) Needed for Development			477,000	
Land (Acres) Needed for Development			10.95	

Data Source: Gardner Pinfold Ibid, Analysis: Cantwell & Company

NOTE: The Rural projection was small and was removed. It can be calculated as the difference between the sum of the first three columns and the total.

Five employment sectors are projected to generate 17,100 new jobs during the next two decades; 10,600 of these jobs have been allocated to suburban locations. On average, each employee will require 225 SF of office space, a reduction from the 300 SF average typically seen in the early 1980s. This reduction in the amount of space per employee is the result of more efficient office building design, and concepts such as office hoteling, where employees share flexible offices.

Using this rule of thumb (i.e., 225 SF per person), the 17,100 new jobs generated during the next two decades will require a total of 4.8 million SF of office space. This is an average of 192,375 SF of new space absorption each year for the whole market, and 119,250 SF for suburban office locations such as Burnside and Bayers Lake.

Based on discussions with local developers, in suburban locations, each new square foot of office space requires a total of four square feet of land to support it. This means that the floor area ratio (FAR) of the building is just 25% of the total building site, with the remaining 75% used for surface parking, circulation and landscaping. To illustrate, a new 50,000 SF office building would require a 200,000 SF site. Therefore, in order to

convert the demand for suburban office space into the demand for land, the office space estimate is multiplied by four. This indicates that an average of 11 (10.95) acres of land will be needed in suburban locations each year (or 220 acres over a two decade period) to support the construction of approximately 3 million SF of new suburban office space. This demand is to be allocated among all land owners in HRM, including federal, provincial, municipal and the private sector, not just HRM business parks.

Although we have calculated the average annual demand for new office space in the Capital District and Halifax Peninsula as 73,000 SF per year, we have not converted this to land demand, as the FARs in use on these areas vary dramatically. Overall, the projections estiamte a demand for 1.7 million SF of new office space in the Capital District and Halifax Peninsula over the next two decades.

As mentioned previously, this is a very simple calculation for the total amount of net office space to be absorbed by the market over a long period of time. This could change dramatically if NSBI is successful in attracting more "offshore" companies that are not anticipated in the employment projections. The Greater Halifax Partnership has worked with stakeholders to assess future demand for office space, and estimates that 500,000 SF of office space is needed in the Capital District over five years (100,000 SF per year). These numbers reflect a more bullish outlook on the growth of the nearshore financial sector (27,000 SF of office space per year in the Capital District), and therefore provide an alternate future employment projection for the market.

It should be noted that these are estimates of demand (net absorption) and do not take into account the potential creation of vacant space through new single tenant office construction. For example, the construction of a new corporate headquarters by Emera would vacate approximately 150,000 SF of space in the Duke Street Tower (i.e., a 1.5 to 2 year supply based on the previous projections). The calculation also ignores the current and future functional obsolescence of existing office space, which can create demand for new office space in the absence of employment growth. However, for macro planning purposes, this calculation is sufficient, and it indicates a need for approximately 150 acres of serviced commercial land for suburban office space over the next two decades.

5.5 CONCLUSIONS

Most of the significant industrial/commercial development in HRM over the past few decades has occurred on HRM or provincial land; however, this is beginning to change. New private sector commercial developments such as Dartmouth Crossing, West

Bedford, and Bedford Commons, are creating a large amount of new development capacity.

Given the projections for new office space demand, and the amount of land that has been set aside by the private sector for new development, it makes sense for the HRM Business Parks office to remove its emphasis on office and retail development.

6.0 ANALYSIS OF POTENTIAL NEW BUSINESS PARK LANDS

This chapter provides an analysis of land within HRM, and identifies locations that might be suitable for the construction of a new industrial/business park(s).

6.1 BUSINESS PARK LAND REQUIREMENTS

The industrial land inventory and the market analysis in Chapter 5 indicate that the inventory of industrial land in the HRM is limited and that there will be a need for additional lands within the time frame addressed by the HRM Regional Development Strategy. Are suitable lands available?

6.2 GIS MODELLING PROCESS

The site selection process identified opportunity factors, identified limiting factors, and combined them to indicate lands suitable for industrial development.

6.2.1 Opportunities for Industrial Development

A number of opportunity factors were identified. An industrial suitability map was produced by identifying the land areas that satisfy these requirements, and ranking them according to how many of the requirements overlap in any particular area. (See Industrial Suitability map, Appendix F.)

Opportunity factors included:

- Industrial land within existing business parks;
- Areas within 1 km of existing industrial lands;
- Vacant industrial land;
- Industrial land within the HRM service boundary;
- Areas within 2 km of Highway 102;
- Areas within 2 km of any 100 Series Highway;
- Areas within 1 km of existing highway interchanges;
- Areas within 1 km of proposed highway interchanges;
- Areas within 1 km of existing rail lines;
- Areas beyond 1 km and less than 10 km of population densities greater than 10 person per hectare; and
- Areas with soil depth greater than 1 meter.

This set of criteria and the method of combination reflect the judgment of the study team about the importance of physical and locational factors. Locational advantages include being in or near an existing business park; near population centres; near rail and highway; and being within the municipal service boundary.

6.2.2 Limitations for Industrial Development

A number of limitations to industrial development were identified. An industrial limitations map was produced by identifying all land areas with one or more of the following characteristics.

- Restricted land use areas;
- Areas of high cultural significance;
- Park areas;
- Significant habitats;
- Slate bedrock;
- Organic soil;
- Slope greater than 8%;
- 20 meter buffer around all wetlands and watercourses;
- Developed areas; and
- Lands within 1 km of population densities greater than 10 persons per hectare.

A couple of the limitations may need explanation. Restricted land use areas include a variety of limitations such as water supply areas, National Historic Sites and Parks, and wilderness areas. Developed areas were defined as land with built structures at a density of 1 per hectare or more.

6.2.3 Suitability for Business Park Development

Lands suitable for business park development were identified by combining the Industrial Suitability map with the Industrial Limitations map. Areas with any limitations were classified as unsuitable for industrial development. The remaining areas display the ranking assigned on the industrial opportunities map.

6.3 RESULTS OF THE SUITABILITY ASSESSMENT

The business park suitability map presents an interesting pattern suggesting that existing business parks were well located to begin with. The highest suitabilities are shown on any vacant land in existing business parks, but proximity factors to existing industrial development do not entirely account for the high rankings of lands in and near these parks. The exception to this is business parks that have no vacant land, for example Woodside Business Park and much of the Bayer's Lake Business Park. Notable areas of high suitability include the remaining lands in Burnside Business Park and lands to the north of Burnside Business Park. Lands within the Ragged Lake Business Park also show good suitability. The third area of note is Shearwater, which also shows a significant area of good suitability for business park type uses.

6.4 OBSERVATIONS ABOUT THE SUITABILITY ASSESSMENT

This analysis suggests that there are areas with good suitability for future business park uses. However, these areas do not appear in great abundance, so there is some urgency about securing the potential for future business park uses in these areas.

In general terms, we can make the following observations:

- **Burnside Business Park.** The remaining Burnside lands show high suitability for business park use. Lands to the north of Burnside also show good potential for business park use.

- **Aerotech Business Park.** The suitability analysis shows substantial areas of suitable land remaining in this park. There are also areas of high suitability shown adjacent to and west of the park. The problem with this land is the inability to provide cost effective municipal services (sewer and water), as well as past commitments for capacity made to the Halifax Airport Authority.

- **West Bedford Business Campus.** This area shows limited suitability for industrial development because of its proximity to existing residential uses. The proposed business campus uses should not present a conflict with residential use.

- **Bayers Lake Business Park.** The remaining lands in Bayers Lake Business Park show unfavourable suitability for business park uses, although they can be developed if the sales price is high enough to cover the extraordinary development costs.

- **Ragged Lake Business Park.** Ragged Lake Business Park remains almost completely undeveloped. The analysis shows good suitability for the proposed mixed use community previously identified in the Western Common Plan. The local MPS documents designate this area for a mixed use office campus, residential, and recreational development adjacent to a large wilderness area.

This study indicates that there are lands available to provide for future business park uses of various kinds, including industrial, office campus, knowledge park, retail, life sciences, and aerospace uses. A sector that does not seem to be well supported by this analysis is marine industrial and offshore (i.e., the suitability analysis was not designed to address this issue); the Harbour Functional Plan (currently under development) will be addressing the needs of this sector.

7.0 FUNCTIONAL PLAN: HRM BUSINESS PARKS

7.1 RATIONALIZATION OF HRM'S ROLE: BUSINESS PARK DEVELOPMENT

In the United States, most business parks are built and operated by the private sector. In the Halifax – Dartmouth region, the private sector was active in developing in business parks until the late 1960 and early 1970s, when the Province and individual municipalities began to subsidize land and the private sector was forced out of the market. Since amalgamation in 1996, land subsidies are no longer permitted, and the price of industrial land was slowly raised to market rates. Today, the price of land is no longer subsidized, and the development of office and retail uses in business parks is once again attractive for the private sector.

As stated previously, HRM has limited financial ability to service and develop the large number of business parks within the municipality. As well, given the re-emergence of the private sector as a driving force in the retail and office sectors, now is an appropriate time for HRM to reconsider its policies towards the development of business park land. In other words, from a policy perspective, why is HRM in the business of developing business park land? If it should be in the development business, then what are the Municipality's goals, and how can they be optimized given the current environment of fiscal constraint?

7.1.1 HRM Business Park Policy Goals

From a policy perspective, there are a number of reasons why it is in HRM's best interest to have a steady supply of well located, properly zoned and serviced land available for commercial development. These reasons include:

- Reasonably priced, serviced land is critical to the growth of the local economy;
- Industrial and business park development generates significant revenues from property taxes;
- Companies who locate in business parks create a large number of jobs within the local economy: it has been reported that more than 18,000 people work in the Burnside Park.

While the logic behind the policy objectives is sound, HRM should review its business park development policies to clarify its role, given that it is now financially viable for the private sector to develop high end commercial land. As corollary questions, if HRM should continue to be in the business of developing business park lands, what can HRM do to leverage its existing capital, and how can HRM maximize the economic impact of its activities, given the Municipality's limited financial resources?

7.1.2 Public vs. Private Development: What is HRM's Role?

There are arguments for and against HRM being in the business park land development business. As the market for higher end business park lands (e.g., retail or office uses) becomes viable, some private sector developers are starting to question HRM's involvement in the business. They argue that they have the capital and expertise to develop business park land, and that given their interest in developing commercial lands, HRM should step aside and let the private sector handle this business. Private developers also argue that they have the capital needed to bring large amounts of serviced land on-line in a timely fashion, and that their expertise in the land development business positions them to develop and service the land in a cost-effective manner.

While there is some validity to this argument, the problem with a free market approach to the development of business park land in HRM is that there is a limited supply of well located, properly zoned and serviced lands for business park development. If these lands were concentrated in the hands of just a few developers, there is a risk that land could become unaffordable. This concern was raised by local contractors and small business owners during the consultation process for this study. Some private developers also need to generate cashflow in the short term, and many times cannot wait to keep to the vision of the business park.

By contrast, the Municipality can be patient in its approach towards business park development. Burnside Business Park, assembled by the former City of Dartmouth in the early 1960s, illustrates this. For forty years, the municipality remained true to their vision of building the premier business park in Atlantic Canada; their commitment to this vision has resulted in what we know today as Burnside. HRM fulfills current need for the development of small, affordably priced, serviced lots for local businesses. Job creation by small businesses is a core part of the HRM economy, and HRM provides a valuable role in the availability of affordable land. It is for this reason that HRM should continue to play an active role in the development of business park land.

7.1.3 Proposed HRM Business Park Policy Objectives

Based on the previous analysis, the consultants believe that it is in the best interest of the business community to continue to have HRM play a significant role in the development of general industrial land within HRM. However, it is clear that there is an important role for the private sector as well. If HRM re-focuses its development efforts

on specific market sectors, it can more effectively leverage the capacity of the private sector. Therefore, HRM should adopt the following policies:

1. **HRM to Focus Its Efforts on General Industrial Lands**. The main focus of HRM business park development should be the development of general light industrial land: in particular, small lots of less than two acres for new and expanding local businesses, as well as larger, un-serviced lots for sale to the private sector for the development of general light industrial uses.
2. **Let The Private Sector Develop Land for the Retail Market**. Retail development should be left primarily to the private sector, except in those circumstances where the highest and best use of HRM's land is retail, and these lots are a relatively small component of an overall phase (e.g., the retail lots on the Wright Avenue extension). The key role for HRM planning staff is to ensure that zoning and servicing support future clusters of retail (i.e., anticipating the need for new retail clusters based on projected land development patterns).
3. **Office Space Should be the Private Sector's Domain**. HRM should let the private sector focus on the development of suburban office campus lands (e.g., The Ridge, West Bedford Business Campus, Bedford Commons). HRM could continue to provide enough land for office development to ensure fair competition in the marketplace: this would be primarily in the build-out of the City of Lakes Park. HRM should continue to tighten up the development controls in City of Lakes, so that only high quality office buildings are allowed.
4. **Residential Development is Not Compatible with Industrial Land Use**. Given the short supply in the industrial land reserve, the difficulty in finding good quality serviced land for industrial development, and the potential for incompatibilities, HRM should not promote residential development in or around industrial land uses. However, in certain circumstances, residential development could be considered in a business park setting (e.g., office, retail, etc) that does not abut with traditional light industrial land uses (e.g., Ragged Lake), provided that industrial land is not displaced. Using this logic, it should be possible for Dartmouth Crossing to develop lands at The Ridge business park for multi-family residential uses. Given its commitment to commercial uses, HRM should not allow development of land it owns for residential uses within the Business Campus of Burnside.

5. **HRM to Leverage Partners to Accelerate Growth in Core Sectors**. HRM should partner with other organizations to target growth goals in key economic sectors, as identified by the GHP (i.e., financial services; Halifax Gateway; aerospace and defence; advanced manufacturing; energy; environmental industries; information, communication and technology (ICT); and life sciences). These partnerships could take a variety of forms, and might include selling land, leasing land, or partnering on a development opportunity.
6. **Rationalize Future Development Patterns**
   Over time it may be possible for the private sector to play a larger role in the development of general industrial lands. In order for that to happen, HRM needs to continue to monitor the demand for serviced commercial lands, and should designate land for industrial use and allocate municipal services to facilitate its development.

The aim of these objectives is to maximize the economic impact of new land development on the regional economy, and to ensure that scarce development dollars are leveraged as much as possible.

7.2 STRIKING A BALANCE BETWEEN DOWNTOWN & SUBURBAN OFFICE SPACE

As the research presented previously in this study indicated, the majority of all new office space built throughout North America is built in suburban locations. This is not to say that there isn't demand for office space downtown, but rather that it is a separate and distinct market. While there are some businesses that can work from a suburban or urban location, most have a distinct preference for downtown or the suburbs.

Although it makes sense for the private sector to take the lead in the development of both downtown and suburban office space, HRM's role should be to work with the province to ensure that there is an ample of supply of high quality office space for nearshore financial firms. Given the current lack of supply of office space in downtown Halifax, one option would be for the provincial and municipal governments to identify office workers or departments that are located in downtown Halifax, but don't necessarily have to be there. These employees could be relocated to suburban office space, and the available office space consolidated and renovated as incubator space for nearshore firms relocating to Halifax. This would allow nearshore financial firms to set up an office immediately, while new office space was being constructed for them. This is the approach that is currently being taken by PEI Business Development in

Charlottetown. Halifax would most likely require an amount of downtown office space for this purpose in the range of 50,000 - 100,000 SF.

Re-development of the Cogswell interchange (for uses including office space) could happen within two years, provided that HRM has policies in place. There are very few large sites in the downtown and several key projects slated for the area, including a new law courts and convention centres. If the Cogswell lands were opened up for development, a master plan should be in place to ensure that they are not developed for residential uses alone.

7.2.1 Don't Assume Everyone Wants to Be Downtown

While increasing the supply of office space is an important consideration for the future growth of downtown, it is not reasonable to assume that all new companies desire this location. For example, technology firms such as Research in Motion employee a large number of high paid engineers, and their corporate culture influences them to locate in high quality business campuses that are located near high quality housing, on 100 series highways and with quick proximity to the airport. If RIM's only choice were to locate in downtown Halifax, they would likely have chosen another city.

7.2.2 Convert Non-Core Government Offices into Incubator Space

A large number of government office workers in the Capital District have to be downtown (e.g., legal, finance, government regulation) however there are many others (clerical office workers in the Department of Education), who are only downtown because the Province and/or HRM owns the space they occupy. If new space could be built to house these non-core workers in well-serviced suburban locations, the resulting space could be renovated and made available as temporary space for the burgeoning nearshore financial services sector. PEI Business Development has used this approach several times over the past few years to attract nearshore companies such as CGI, AIM Trimark and Ceridian to the Charlottetown market. Once the new office space is built, the incubator space is vacated, and is made available for other users.

7.2.3 Expanding MetroLink Is Critical to the Competitiveness of Downtown

Real estate economic theory indicates that as the cost of commuting to a central business district increases, employees (and employers) will look for ways to either reduce the time and expense associated with commuting, or at some point businesses will move to a location that is closer to where the employees live. As HRM has grown, traffic congestion, bridge tolls, and gas prices have increased. Employers have recognized that many employees want increased wages to offset the cost of

commuting. At some point, however, no amount of money will make up for the aggravation associated with traffic jams and a long commute. In an economy where employers are now battling one another for labour, gaining a competitive advantage often means relocating the company to a more central location that reduces labour costs and improves the level of job satisfaction for employees.

A high quality public transit system has the potential to counter commuting barriers. While light rail and ferry systems are sexy, there is nothing wrong with high quality bus service. The new Metrolink express service into downtown Halifax appears to be having an impact on commuting patterns already. If HRM wants to continue to see the growth of downtown as an employment centre, they should back the expansion of the Metrolink program as much as fiscally possible.

As this service matures, Metro Transit should begin considering express service to a limited number of other locations, such as the Burnside Business Park.

7.2.4 Assist the Province in Locating a New Consolidated Courthouse

The vitality of the downtown office market is a key policy objective for HRM in the regional plan. Demand for office space downtown is driven by the private sector, and in particular, the Finance, Insurance and Real Estate (FIRE) sub-sectors. Within this sector, law firms are a critical component, as these organizations tend to consume large amounts of office space per employee. The province is looking at the potential to consolidate the four (4) existing court facilities within HRM into one new courthouse in a downtown Halifax location. This provincial goal should be very important to HRM, as the continued retention of the Water Street Law Courts and the private bar (which tends to occupy a large amount of space in the area around the Law Courts) is key to the continued vitality of the downtown office market. A consulting study prepared for the Province identifies three or four sites downtown, including Spring Garden and Queen, the Cogswell Interchange, Block M and the parking lot at Sackville and Water.

HRM should consider partnering with the Province to create a new law courts; for example, the Cogswell interchange lands would be an appropriate location. The province and HRM could negotiate a land swap in which HRM receives the old law courts for redevelopment in return for giving the Province some Cogswell land for the new law courts.

7.3 RESIDENTIAL DEVELOPMENT NOT COMPATIBLE WITH INDUSTRIAL PARKS

The Regional Municipal Planning Strategy recognizes opportunities for residential development in and near business parks. "Medium to high-density residential land uses can complement a business park by allowing easy access to employment for residents and reducing commuting costs to the individual and the Municipality as a whole. However, it is important that the location of residential uses be carefully considered in the context of the overall business park development plan to reduce and mitigate potential land use conflicts related to noise, odour, safety, traffic and related issues" (RMPS Section 5.3.2).

In particular, an area north and east of the Burnside Business Park and the City of Lakes Business Park is identified as an opportunity for a complementary mix of medium to high density residential land uses (see RMPS Map 12, Burnside Potential Mixed Use Area). "In this area, a mix of multiple unit dwellings and townhouses may be integrated with commercial and office uses to provide for a vibrant and accessible urban transit village. Limitations on the extent of residential development shall be established to ensure that it does not become the pre-dominant land use in this area." (RMPS Section 5.3.2) The policy provides for establishment of "a Burnside Comprehensive Development District (BCDD) Zone…as shown on the Burnside Potential Mixed Use Area (RMPS Map 12), by rezoning. This zone shall permit a mix of multiple unit dwellings, townhouses, commercial, office, institutional and recreation uses subject to the provisions of a development agreement." (RMPS policy EC-13)

It should be noted that the RMPS policies were established prior to the current understanding of the shortage of industrial land identified by this functional plan.

The RMPS policies regarding the integration of housing and business parks are consistent with the development of some business campuses elsewhere in North America (e.g., business parks in Virginia, Quarry Park under development in Calgary), where municipalities are promoting a live, work and play environment by incorporating residential developments into business parks. These business parks, however, are office campus type environments (which may also include hotels and retail uses) with no traditional industrial uses such as in Burnside or in the expansion areas for Burnside. (Although industrially-dominated business parks such as Burnside are referred to as business parks, these industrial areas are distinctly different in character from business parks occupied by office and commercial uses.) The residential development at Bedford

West, adjacent to the West Bedford Business Campus, is consistent with these types of development. It should be noted that these parks tend to be the exception, as the survey of business parks prepared in this study indicated that none of the surveyed parks allowed for residential uses, all of the respondents were concerned about future land use conflicts (without adding residential) within their parks, and several are struggling with the erosion of industrial land for other purposes.

This study has identified a shortage of serviced industrial land in HRM. This plan is recommending that HRM should not promote residential development adjacent to industrial land uses. In addition, residential development should not displace future industrial uses. There is also growing concern about land use conflicts (for example, between residential and marine industrial uses in Wrights Cove), which may be prevented by not allowing residential uses close to industrial lands.

However, residential development could be considered in a business park setting that does not abut with or displace traditional industrial land uses. It makes sense to allow residential housing in close proximity to business-type uses such as office and retail, in order to provide an environment that provides opportunities for residents to live and work in close proximity, but care must be taken to protect existing industrial land (i.e., minimize future conflict, and ensure an adequate supply of land).

With regard to specific business parks in HRM where residential has been suggested or proposed, this plan's recommendations are as follows:

- *Bedford Industrial Park*: Lands adjacent to the existing Bedford Industrial Park should not be developed for residential purposes, given their proximity to industrial uses. They are also ideally suited for regional commercial or industrial uses.

- *Bedford Commons:* The developer has expressed interest in rezoning 65 acres of light industrial lands in the southern portion of Bedford Commons to allow residential development of multi-units, townhouses and a senior's facility. This type of development was not originally envisioned when the area was designated Industrial in the Bedford Municipal Planning Strategy. However, the Light Industrial zoning on the property permitted the development of portions of the Bedford Commons site for commercial and office uses, and the developer sees an opportunity for residential development adjacent to these areas. This area should be reserved for light industrial development, for a number of

reasons. This parcel is important to reserve as well-located and serviced industrial-designated land, given the shortage of serviced industrial land in HRM identified by this study. Future residential uses in this area would also be incompatible with future industrial development adjacent to the planned Burnside-Sackville Expressway, and with further development (and redevelopment) of the Bedford Industrial Park.

- *Dartmouth Crossing:* Dartmouth Crossing Limited is proposing a large housing development on the northern portion of their lands, including 140 acres of the existing Burnside Reserve. The proposed housing development would not be consistent with this plan's recommendations, as it would reduce the industrial land reserve, and create a future conflict between the industrial uses in Burnside directly adjacent to residential uses. Thus the future land use plan identifies this area as appropriate for commercial uses. Although it has been suggested that the area is too steep to permit anything other than residential development, in the opinion of CBCL Consulting, the land is entirely suitable for supporting the development of smaller scale, light industrial or commercial uses.

- *Burnside's Business Campus:* As an alternative, residential development in the location of Dartmouth Crossing's new Ridge office campus would be consistent with the recommendations in this report. However, HRM should not specifically promote housing on lands that it owns within City of Lakes.

Given the municipality's experience with the loss of light industrial land to commercial uses in Bedford Commons and Dartmouth Crossing, this plan is recommending a tighter zoning regime for the entire region that would prevent industrial land from being eroded for commercial and office uses. Chapter Eight contains specific recommendations for Burnside.

7.4 RATIONALIZATION OF EXISTING BUSINESS PARKS

This section provides the consultants' high-level recommendations on proposed changes and improvements to a number of existing business parks. The next chapter has been set aside for the Burnside Functional Plan.

7.4.1 Aerotech Business Park

Although the Aerotech Business Park land offers land close to the Highway 102 corridor, it is seen by most businesses as too distant from the central core of the Halifax region

and offering (in their opinion) no real advantages over other parks, especially Burnside. In addition, land in the park poses environmental concerns for development related to the presence of pyritic (acid generating) slate bedrock, has limited sewage treatment capacity (with no assimilative capacity of receiving water), and has the potential for development to impact on the drinking water supply to the Municipality of East Hants.

HRM should sell sufficient land in Aerotech Park to HIAA (or an agency under HIAA's direction) to manage and develop for their proposed third runway. Funds from the sale should be used to acquire lands for future business park development in a more suitable location.

HRM should work in partnership with the HIAA to develop the remaining Aerotech lands for purposes that would support the HIAA's operations at the airport.

7.4.2 Bayers Lake Business Park

The Bayers Lake Business Park is one of the more successful locations in HRM for retail development, although lately it has become a victim of its own success, with traffic congestion and other development impacts. Although this report recommends a follow-up detailed plan for Bayers Lake, preliminary recommendations including the following: These recommendations

1. **Sell Some of the Land Behind Kent Building Supplies to the Private Sector.**

HRM has been negotiating with a private developer for the sale of 88 acres of bulk lands behind the Kent Building Supplies for large format retail development. Retail is an appropriate use for most of this land, as the adjacent area has already been developed to address this market, and expanding this retail node with additional retail uses would help facilitate a rational land use development pattern (i.e., large format retail uses would not show up in locations where the municipal infrastructure or impact could not be accommodated). However, given the projected shortage of land for light industrial use, thought should be given to setting aside some of this land for industrial use. The sale should proceed under the following additional conditions:

- HRM should require a master plan for the entire area of the land behind Kent (200 acres), so that none of the land remains unplanned. Ideally, a masterplan for the whole park would be developed, to ensure that proper road networks are created, and that proper zoning can be put in

place. These plans should anticipate future road connections to the Governors Lake area, as well as trail heads for the new Provincial park.

- Given the impending shortage of land for general industrial uses, it may be prudent to not sell all of the 88 acres for retail development, with some allocation made for traditional general industrial uses.
- A transportation study should be completed to ensure that this incremental development does not create additional problems within the Park.
- Given the Bayers Lake Business Association's concern about traffic problems in the Park, a portion of the proceeds from the sale of this land should be used to fund transportation improvements within the Bayers Lake Business Park.

2. Prepare a Functional Plan for Bayers Lake.

A functional plan is required in the near future for development of Bayers Lake Park. This study has identified several prominent issues in the Park. Preliminary recommendations that should be incorporated into a plan are as follows:

- A new road exit to alleviate traffic congestion should be of highest priority.
- Road medians on Lacewood Drive must be relocated to allow vehicles to move freely from the road directly into business entrances.
- A cap should be put in place for retail development (the exact amount needs to be determined), with the remaining land to be reserved for light industrial uses. This development may have to wait until the market price for I-2 catches up to the cost of land.
- HRM should work with Armco (Clark Transport) and Cresco Homes to rationalize the land at the western end of the park. This large parcel, provided road access is established to surrounding areas, is a well-positioned parcel of land suitable for light industrial uses on the Halifax side of the harbour. A request is before council to allocate these lands to the Halifax Plan area (and thus add them to the urban servicing boundary), designate them as industrial, and re-zone them as I-3 (general industrial).
- The plan should accommodate access to the planned Birch Cove /Suzie Lakes Regional Park

7.4.3 Ragged Lake Business Park

The 1999 Western Common Masterplan identified a vision for a "work, live and play" environment on the lands surrounding and including the Ragged Lake Business Park. This is a good vision for this property, although there is some concern about the demand for this type of development in the near-term, as it will duplicate what is being proposed at the community of Bedford West.

In the Spring of 2008, HRM announced that they would be preparing a detailed plan for the implementation of the wilderness common. This new/revised plan should continue to anticipate the future development of the Ragged Lake Business Park lands for a mix of commercial and residential uses. Given the projected shortage of light industrial lands, some effort should be put into assessing the potential for this use, as long as it does not compromise the vision for the park.

Since a plan for Ragged Lake would be incorporated in the Functional Plan for Bayers Lake, HRM should wait for the recommendations of that plan before making any decisions on future land uses. The options available to HRM include the following:

- Selling the park lands for development as a master planned community and using the proceeds to purchase light industrial lands in Halifax.
- Keeping the Business Park lands as a future reserve for commercial and residential uses, with some allocation for light industrial development.

7.4.4 Sheet Harbour Masterplan

Although a considerable distance away from the core area of HRM, this park has direct deep water access and wharf facilities. Given the diminished potential for further development on Halifax Harbour for marine industrial uses, Sheet Harbour would provide a good alternative port location for activities such as exporting of raw commodities such as aggregate, and minerals from the Musquodoboit Valley. A qualified consulting firm should be retained to prepare a feasibility assessment for the expansion of the port in Sheet Harbour. Port development would depend on improving road access and other infrastructure.

7.5 PARTNERSHIP OPPORTUNITIES FOR BUSINESS PARK LAND

This section provides discussion on how HRM can use partnerships to leverage its economic growth objectives, while at the same time conserving funds for core municipal projects. The suggested partnerships between HRM and players in each sector are outlined below.

7.5.1 Create Advisory Groups for Each Economic Growth Sector

The development of the Transload distribution sector in Burnside provides a valuable lesson for HRM. In 2006, the Halifax Port Authority convinced Consolidated FastFrate to purchase 15 acres of land and build a 100,000+ SF cross dock Transload facility. Due to the confidential nature of the negotiations, HRM Business Parks staff were not included in any of the preliminary discussions between the client, the HPA, NSBI or ACOA. All of these parties assumed that once the deal had been structured with FastFrate, getting a parcel of serviced land in Burnside would be a formality. Unfortunately, due to strong demand in the industrial sector and limited financial capacity, HRM did not have a large enough piece of land, and it took an additional year to identify service and deliver the requisite parcel. As a result, HRM staff are now in close contact with representatives from the HPA and NSBI; this coordination makes it unlikely that a similar event will occur in the future.

The lesson should be extended to other key growth sectors within the HRM economy, including the nearshore financial sector, the defence and aerospace industries and the life sciences sector. One option would see the GHP strike a small advisory group for each of HRM's key growth sectors; some of these groups already exist. These advisory committees would meet several times a year to provide input to the GHP and HRM on the challenges their sector is facing as it tries to grow. To the extent that these challenges have some basis in the need for serviced land, HRM Business Parks office would play a role in addressing these issues. Other factors of production such as capital and the availability of skilled labour could be addressed and coordinated by the GHP's economic development staff.

The advisory committee could also provide feedback to HRM staff on the development of major phases in each business park. This would be similar to the role that the Dartmouth Industrial Commission used to play in the development of Burnside. The goal of these advisory committees is to make sure that the particular sector has what it needs to help it succeed, and to limit the future potential disconnects between HRM policies and the growth of the economy.

7.5.2 Partner with the HPA to Develop the Atlantic Gateway Halifax Logistics Park

The potential for a distribution park within Burnside had been discussed since 2005[20]. Phase 12 of Burnside has now been approved (by Halifax Gateway Council and Halifax Regional Council) and branded as Phase I of the Atlantic Gateway Halifax Logistics Park,

with Consolidated FastFrate and Armour Transportation Systems as its first logistics tenants. Phase 12 is a satisfactory location for the first phase of the Logistics Park, but cannot be developed with purpose-built municipal infrastructure (e.g., extra wide roads), and it does not have access to the CN rail line.

Phase 13 has been identified as Phase II of the Logistics Park; however, the Business Parks Office (TPW) needs more financial resources to develop this phase, and there is concern that it will take some time for HRM to find the capital to develop Phase 13. One option would see HRM partner with the Halifax Port Authority (HPA) and a Logistics Park developer to create a high quality logistics and distribution park in Phase 13. The development of a logistics and distribution park has the potential to leverage both existing container terminals, and make the port more competitive for export. For example, Prologis (the logistics development arm of MacQuarrie, the owner of the Halterm Terminal) owns a number of terminals globally. Prologis would likely have a vested interest in channelling more business into the Port of Halifax if they also made money on the development of the logistics park. To facilitate this, HRM could sell the HPA or Prologis a 200 acre parcel of Phase 13 (with performance standards should the project stall). Given the importance of the sector, HRM could provide a loan for the purchase price of the raw land, and would be paid for each acre as it was developed. This would lower the risk for the HPA's development partner, while HRM leverages third party capital to build this critical port infrastructure.

7.5.3 Partner with the HIAA to Develop the Aerotech Park

HRM should partner with the Halifax International Airport Authority (HIAA) for the future development of the Aerotech Park. HRM is in preliminary discussions with the HIAA to transfer roughly 1,100 acres of the Aerotech reserve as expansion lands for the construction of a third runway. In addition, the HIAA would like to create additional airside industrial land that it could market to cargo companies. These discussions should include the potential of transferring all land at Aerotech to the HIAA. This would be a rational approach to this issue, as the airport authority knows the aviation business better than anyone, and giving them full control over these lands would allow the HIAA to control the allocation of municipal infrastructure capacity. Given the restrictions imposed on the HIAA by Transport Canada (Transport Canada does not allow the HIAA to sell land, only lease it), the airport authority might put any commercial lands in a joint venture entity, so that land could be sold to end users. HRM could use the cash

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[20] CBCL and Cantwell & Company, HRM Business Park Strategy, 2005

proceeds from this transaction for the creation of a land acquisition fund, which could be used to expand the Industrial Land Reserve acccount.

An alternative strategy would see HRM and the HIAA form a partnership for the development of all Aerotech lands, with HRM contributing land, and the HIAA contributing the infrastructure needed to service and develop Aerotech (most likely through on-site sewage disposal and serviced water). The downside to this approach is that is doesn't free up capital for HRM to re-allocate to other more pressing issues, such as the need for expansion lands for the Burnside Park.

7.5.4 GHP to Assist INNOVACorp in Marketing the Woodside Life Sciences Park

The Greater Halifax Partnership should be the marketing arm for HRM's business parks (this is discussed in further detail later on in this chapter). The GHP could partner with INNOVACorp to help market Halifax to the life sciences sector. This marketing campaign would focus on all aspects of the development cycle, including applied research, production trials and commercialized production facilities at Woodside. InNOVACorp would assume the lead role, while the GHP would provide marketing assistance.

7.5.5 Shearwater Land Reserve

A preliminary plan for the Shearwater Lands identified more than 400 acres for light industrial uses, as well as ancillary residential, retail and community facilities on the southern portion of the property. Although DND is now discussing the potential of purchasing the land back from the Canada Lands Company as a core military asset, there are still regional planning implications for re-use of this site.

Ideally, HRM will obtain the road right of way needed in order to build the Mount Hope Interchange/Shearwater Connect to the Cow Bay Road. If DND does regain control of the runway, they will not likely want to give up the major runway that runs parallel to Russell Lake. Under this scenario, it would be appropriate to HRM to provide land use designations that help support and promote a cluster of industrial and office space that could support the aviation and defence sector. Residential development adjacent to this asset is not appropriate.

7.5.6 Facilitate Incubator Space for the Nearshore Services Industry

Providing a reliable supply of high quality office space in the downtown core will be key to attracting and retaining nearshore financial companies. There are short term and long term strategies to help create more office space.

Clearly the long term goal is to build new office space in the downtown that can be used to attract offshore companies to relocate to Halifax. Unfortunately, this will take some time to implement. In the short term, HRM, the Province and the Federal Government should consider the potential to consolidate and relocate clerical office space in downtown Halifax (NS Dept of Health, Education, etc) and move it to new space in the suburbs, in order to free up office space which could be renovated as transitional or incubator space for offshore companies establishing in new location in Halifax. With transitional office space available, the goal would be to get these firms to sign long term leases with downtown property developers who would then use the lease commitments to construct new office space. This approach has been used successfully in Charlottetown by PEI Business Development. HRM has already being doing this to some extent, as during the past five years they have been relocating HRM administrative staff from Scotia Square (Duke Street Tower) to their own building in Downtown Dartmouth (Alderney Gate). Within the Provincial government, it is highly likely that many employees in the departments of health and education (among others) could be relocated to new office space in a suburban location. It is recognized that strategy is not satisfactory as having both the government workers AND the nearshore financial services workers all in downtown office space, however given the options, the goal should be to create space for high yielding jobs that can grow the economy.

7.5.7 Assist in the Redevelopment of the Cogswell Interchange

Although there are currently two or three proposals for new office space in downtown Halifax, in the long term, more land will needed in order to continue to develop new office space. One possible resource is the land reserve within the Cogswell Interchange. Although it is unlikely that all of this space can be held in reserve for office space, HRM Business Parks Office staff have skills that could be used to help HRM redevelop this area.

While there has been a lot of speculation on the ability to redevelop the Cogswell Interchange, several points appear to be clear: it is physically feasible to remove the old interchange and redevelop the area as an expanded part of downtown; and the density levels proposed by HRM by Design are more than sufficient to ensure that the project is self financing, meaning that the project will cost HRM nothing. The real issue is a policy debate on the use of the resulting land. The risk of developing the Cogswell Interchange too quickly is that developers will fill it with anything they can to make money in the short-term, which will likely include a large concentration of residential space, followed by a hotel or two, and perhaps some office space. Although this would

achieve the goal of redeveloping the site, it could preclude a major development opportunity for the downtown at some later date, such as a consolidated law courts facility, new world trade and convention centre and/or a new cultural facility. These projects have the potential to transform downtown, and the opportunity to develop them should not be missed. These projects create another challenge, however, as most of the building floor plates for these uses contradict the urban design goal of making the scale of the Cogswell development one that replicates downtown.

7.6 OPTIONS TO LEVERAGE HRM'S DEVELOPMENT CAPACITY

In addition to paring back the range of development types that HRM is involved in, other options are available to help HRM leverage its efforts within the business parks office.

7.6.1 Partner with Private Sector Developers

HRM's primary goal in the development of business park land is job creation and the growth of the property tax base. Unfortunately, capital to fund new phases of development in the business parks office is limited to the existing land reserve, and the potential to borrow additional funds from HRM's overall municipal budget from time to time. The problem with this approach is that the demand for infrastructure within the municipality is huge, and funding from theses sources is not reliable.

An alternative approach is to partner with a private developer for the build out of a particular parcel of land. If one accepts the argument that HRM is not profiting from the development of business park land, then this is reasonable. Realizing this, HRM staff have previously sold land in the Bayer's Lake Business Park to a private developer. As this report is written, HRM is once again considering this approach for the development of land behind Kent Building Supplies.

Where possible, this approach should be replicated in various business parks throughout the municipality – especially for new land uses that are not central to the municipality's mandate (i.e., retail, office space).

7.6.2 Partner with Civil Contractors to Finance Roads

Partnering with a civil contractor (road builder) is another way that HRM can generate additional leverage in the development of business park lands. This approach has been used successfully in the past by residential land developers, and entails a contractor financing the upfront costs of road construction, in return for a percentage of sales revenue when the lots are sold. As this is a form of off balance sheet financing, this

approach should be used sparingly, as it adds an element of risk to the development process and is likely only appropriate during peak periods of land development activity.

7.6.3 Consider Debt Financing

It is hoped that by allowing the private sector to take the lead on retail and office space, and partnering with other groups for the development of specialized projects (logistics parks, airport parks, etc), the current limitations on HRM's land reserve can be mitigated. However, if the working capital shortage continues, HRM should consider establishing a line of credit that can be used to help fund periodic peaks in construction activity.

While Council may not approval a debt financing approach to the development of business park infrastructure, this may be a more realistic option for the acquisition of additional lands for the business park reserve (i.e., the acquisition of land for the expansion of Burnside).

7.6.4 Use Zoning and Municipal Services to Direct Business Park Activity

The regional plan provides a development model that includes a strong commercial centre, as well as a number of suburban and rural development nodes. For the most part, these proposed nodes build on existing settlement areas, and very few greenfield locations were proposed. As HRM reviews the regional plan in the future, consideration should be given to the identification of lands ideally suited for new development. This might include the re-designation of the land for the appropriate land-use mix, as well as the allocation of sewage treatment servicing capacity.

One example would be the re-designation of land north of Burnside, between Phase 13 and the Rocky Lake Quarry (i.e., the Anderson Lake lands) from urban reserve/ rural commuter, to the urban settlement designation and business/industrial park sub-designation, that applies in Burnside.

7.7 LAND BANKING FOR BUSINESS PARKS

7.7.1 Partnerships and/or Land Acquisition

Since amalgamation, HRM has sold approximately 500 acres of net serviced land (likely 700 gross acres before the deduction of roads, environmental features, etc) but has made no purchases to add to the existing land reserve. Based on the calculations prepared as part of this study, the consultants estimate that the Burnside Business Park will be fully built out sometime in the next 15 to 20 years.

Although there is a large reserve at Aerotech, the site has major development constraints due to acid slate, and limited sewage treatment capacity; it is also a long distance from the core part of the community. Ragged Lake has development potential, but does not appear to be a good fit for light industrial lands, but rather a future version of the Bedford West community (i.e., mixed use commercial and residential). Finally, Burnside is the gold standard for industrial land due to its central location, access to Highway 118/102 (the corridor to the Maritimes and Central Canada), and existing development momentum.

Based on this analysis, it is the consultant's opinion that HRM must secure more than 2,000 acres of raw land to augment the existing land reserve, and to assure an adequate supply of serviced industrial land for the next 50+ years.

7.7.2 Land Expansion Reserve Fund

Land pricing currently does not include a component to help finance the development of new land as the land reserve is depleted. HRM should create a land expansion reserve fund (a separate fund from the land development reserve) for this purpose. HRM should monitor raw land costs and adjust this pricing component as possible, given past history of land price increases.

7.8 LAND PRICING AND SALES STRATEGIES

7.8.1 Land Prices to Reflect Replacement Cost of Raw Land

Current business park land pricing does not include a component to help finance the acquisition of new development land. The key point here is that amount to be included in the sales price of new lots should not be the amount needed to recover the original cost of the land being sold, but rather the replacement cost of new raw land to maintain the land reserve.

7.8.2 Be Mindful of the Net Useable Area for Each Lot

Current land prices are calculated based on the gross square footage/acreage of the lot being sold. While this is acceptable in some cases, in others, especially small lots in steep areas, the net usable amount of land is dramatically smaller due to setbacks for retaining walls, etc. This can be exacerbated when the lot inventory is low, and companies looking to purchase land have very little choice in lot selection (i.e., and have a hard time finding a lot that is more suitable for the proposed type of development). HRM and their design engineers should take more care to try and minimize the amount of unusable land in future phases of all business parks.

7.8.3 Focus on Reducing Each User's Consumption of Land

Reducing the amount of land required per building would result in better land efficiencies in the business parks and would slow down the rate at which land is being consumed. This approach would also lower the cost of land to end users. For example, current site development standards in Burnside require off-street loading at the side and rear of the building. It is our understanding that these requirements were put in place to avoid truck congestion on major streets (i.e., trucks blocking traffic as they back up into the loading door on the front of the building), and to improve the appearance of buildings.

Although not intended, the effect of this requirement is that each property owner needs larger side yards and rear yards to accommodate truck circulation. As this requirement also forces businesses to pave a larger percentage of the lot surface area, it also adds to construction and land costs, and increases the amount of surface runoff after a storm event (thus increasing the cost of municipal services to accommodate the additional run-off).

HRM should consider amending the site development standards to permit overhead doors that face the street, on streets that are not major thoroughfares. Aesthetic considerations could be addressed through requirements to limit the number of doors facing the street, screening, or having doors set back from the building facade.

Other means of reducing land consumption, such as shared truck easements between small parcels, and narrower road widths where not required, should be considered. These types of savings can be best realized by selling larger parcels of land (8 – 10 acres) to private developers, who can masterplan the entire development to create these synergies.

7.8.4 Sell Larger Parcels to Land Developers

HRM's land sales strategy should distinguish between two separate and distinct markets: large developers and small owner/builders. When land sales are analysed by parcel size it becomes apparent that a large amount of land is sold to a handful of developers who purchase 5 to 10 acre parcels. From a transaction perspective, however, the majority of land sales are small parcels (0.5 to 1.0 acres) to owners building their own facilities.

Small users require pre-blasted, graded and serviced lots. Pre-blasting and grading larger properties adds to the cost of the final product (because developers usually

reconfigure the lots on a property to suit their purposes). These added costs may total $.75 to $1.00 per square foot.

Offering large, ungraded parcels provided with road, sewer and water benefits large developers because they do not need to re-grade and/or fill the site. This approach would also allow developers to masterplan the entire property for the construction of multiple buildings. Master planning makes it possible to create shared truck access roads and circulation areas as well as other shared amenities which can reduce the amount of land needed, thus reducing land costs.

7.8.5 Reduce Landscape Requirements on Large Lots

The current landscape and paving requirements are unrealistic for large lots (10+ acres) that are being developed for warehouse distribution uses. HRM should consider creating a sliding scale for projects so that as they increase in size, these costs don't get out of control.

7.9 LAND MARKETING AND SALES PROCESS

7.9.1 Sales Process

Stakeholders interviewed indicated some room for improvement of the land sales process. Issues included: a lack of certainty regarding the date that new lots were being made available for sale; and a lack of certainty regarding the status of a lot (sold, unsold, etc); and, if the lot is under agreement, when the agreement might be reasonably expected to expire. Some of these issues are to be expected as extentions on the time to close a purchase transaction are common (i.e., sometimes additional information is needed in order to complete a sale), and from time to time the vendor needs to not disclose the purchaser's name in order to respect client confidentiality.

HRM's Business Park's office maintains a website with details on land available for purchase in the business parks. The website is a useful tool for informing potential purchasers. Ideally, the website should be a transparent portal for business park land sales in HRM. Business Parks office staff should update the website daily (in a similar fashion to the Multiple Listing Service website) to avoid confusion and ensure all potential purchasers are treated fairly and receive accurate information (e.g., sales price and the status of lot).

7.9.2 Land Auctions

Several stakeholders interviewed indicated that they were unsuccessful in bidding on new phases of development, and wondering whether or not an auction format could be used when the new lots come on line. This idea has merit. Under this approach, when construction starts on new phases/blocks of land (e.g., Phase 12-2 Burnside), HRM would advertise a general auction process. During a set period of time, bids would be received for various parcels of land, with a minimum reserve price set. Bid prices would be posted daily so that other buyers had the chance to submit a new bid for the property. At the end of the auction period (e.g., a two to four week bidding period), the highest bidder over the reserve price would be awarded the right to the land. This approach has two benefits: the process to sell new lots is transparent, and HRM is likely to get more money for highly desirable lots as buyers bid against one another to purchase choice lots.

If the land is not sold after the open bidding period, the land would then go into the general pool of lots available for sale, and could be purchased by the first person who offers the listing price.

7.9.3 GHP to Provide Strategic Planning/Marketing for HRM Business Parks

Currently, there is no direct land development or transaction role for the Greater Halifax Partnership (GHP) in business parks in HRM. Given the GHP's understanding of underlying economic policy, and their experience and in marketing, this group needs to play a larger role in the strategic planning of HRM's business parks as an economic tool, as well as the day-to-day marketing of land.

A key role of the GHP would be to coordinate the liaison groups for each of the key economic growth sectors (e.g., nearshore financial, aerospace and defence, life sciences, etc), and ensure that these considerations are included in the strategic planning for business park lands.

The GHP could also take on a larger role in the marketing and promotion of lands within the HRM Business Parks. For this work, the GHP could receive a fixed advertising budget per year, and/or a percentage of land sales as a commission for this work.

7.9.4 Marketing Service Agreement Between HRM and NSBI

The Province, through NSBI, has a vested interest in retaining their business park lands at Sackville, Woodside and Sheet Harbour. From a provincial perspective, the control of this land creates a level of autonomy that is needed when trying to attract major

employers to the Halifax Area. However, the provincial parks in Chezzetcook and Musquodoboit could benefit from marketing and project management skills provided by GHP and the HRM Business Parks office.

HRM should approach NSBI about the potential to assist them in the disposition of their lands at Chezzetcook and Musquodoboit Harbour. Although not in high demand, these lands are important to the economic development potential of the Eastern Shore. Several options exist. The first would be for HRM to assist in the marketing, sale and development of these lands in return for a fee from the NSBI. NSBI would make the working capital for infrastructure development available for this project their industrial development fund. Alternatively, HRM could help NSBI to sell off these lands to the private sector. In either scenario, the goal is to make serviced land available to the business community in both of these locations.

7.9.5 Land Sales Monitoring System

HRM should update the spreadsheet developed for this study once a year to keep track of the actual amount of serviced land and unserviced reserve. Ideally, the municipality should keep a minimum of a 25 year supply of land on hand at any given time.

7.10 TRANSPORTATION AND BUSINESS PARKS

HRM business parks have been designed as automobile and truck environments, where trip distances require that both employees and customers drive from site to site, and where the environment is not conducive to safe or pleasant cycling or walking. As the parks have grown, complaints have increased regarding poor access to and within the parks for people requiring (or desiring) alternative means of transportation such as transit, walking, and biking. The Greater Burnside Business Association cites examples of employers in Burnside Park having trouble retaining employees, as poor bus connections have created an unreasonably long commute to Burnside from elsewhere in the municipality (for example, a 1.5 hour bus commute from Cole Harbour). As the price of fuel and insurance increases, this problem will grow.

Although HRM has recognized some of these problems (e.g., the need for sidewalks), and is now building these amenities into new phases of business park development, a large amount of developed land within the parks still needs infrastructure retrofits. Bayers Lake is the obvious example, as it has one of the largest concentrations of retail space in Halifax, yet has no sidewalks for pedestrians, and poor traffic flow.

7.10.1 Alternative Transportation

The Active Transportation Functional Plan has proposed an active transportation network for HRM that incorporates bicycle routes to and within Burnside and Bayers Lake Parks to support park employees and customers in choosing alternative transportation.

HRM should commission detailed alternative transportation plans for Burnside and Bayers Lake Parks that are focused providing infrastructure for alternative forms of transportation, including bus access, bus shelters, bicycle lanes, and pedestrian infrastructure. The intent of the study should be to identify solutions to existing problems, and to propose new infrastructure standards for future park phases. A streetscape planning study for core areas of Burnside and Bayers Lake would assist with improving the existing pedestrian environment. HRM should also encourage the development of small retail nodes to support surrounding office development and reduce the need for employees to drive cars.

7.10.2 Bus Route Planning

HRM has concluded that its best option to providing mass public transit is to focus on fast and efficient bus service. The recent introduction of the MetroLink service is already proving to be a boon for downtown Halifax, as it reduces the time associated with commuting downtown, and helps downtown employers compete with suburban locations. Unfortunately, bus service in the business parks is another matter. While it is understandable that the Sackville and Atlantic Acres business parks have limited service, Greater Burnside has more employees (approximately 18,000) than every town/city in Nova Scotia except Greater Halifax and Sydney, yet bus service within the park is extremely limited. For employers reliant on inexpensive labour, this has been a significant constraint to growth.

Burnside does not have a bus terminal. Metro Transit currently has six bus routes that service the interior of Burnside, with most offering 30 minute service during peak commuting periods. Various sections of the Park have no bus service at all, with buses traversing only the major streets. General goals are to increase the frequency of existing routes, and to increase access to Commodore and Wright Avenues.
Metro Transit has previously proposed a Burnside shuttle (a bus that makes a continuous loop around Burnside), but nothing has happened to date, although the GBBA is now promoting this concept. Metro Transit's most recent request for a new transit terminal and buses did not include anything that would assist Burnside for at least three years. This is not acceptable.

One premise of the April 2008 staff report on Transit was that the only way to provide new bus service was to purchase new buses and open new routes. It would appear that little or no consideration was given to re-allocating existing resources (i.e., terminate unviable existing bus routes in an effort to create a more efficient system). As well, based on meetings with Metro Transit, they have no origination or destination data for employees who work in Burnside to help them understand or plan bus routes. For example, they do not have a map that shows which areas of the park have the highest concentration of employees, where these employees live, and no information on which employees who work in the park are the most likely to use bus service if it were provided. Metro Transit has attempted to obtain survey data from Burnside employees and employers in the past, but were not successful in obtaining any data. They are current working with the GBBA to implement another survey that will provide them with the information they need in order to make some reasonable decisions.

We provide the following recommendations:

- HRM Council needs to allocate sufficient financial and human resources to Metro Transit to allow them to do a better job in planning bus routes to the Business Parks. This is critical to their growth as employment nodes within the municipality.
- The Business Parks Office should work with the GBBA to develop a business plan for the proposed Burnside Shuttle. This might work on a model similar to FRED in downtown Halifax.
- A proper bus terminal is needed in Burnside. The ideal location is likely to be at the corner of Burnside Drive and Wright Avenue, although most of this land has already been developed. According to Metro Transit, this terminal should have a 1,000 to 1,500 SF of enclosed building space with washrooms, six bus shelters (one for each route), and some parking for staff.

8.0 FUNCTIONAL PLAN: BURNSIDE

This section of the report provides a functional plan specifically for the Greater Burnside area, including the Burnside Business Park, City of Lakes, and Dartmouth Crossing.

8.1 REGIONAL PLAN CONTEXT

8.1.1 The Regional Municipal Planning Strategy

The Regional Municipal Planning Strategy (RMPS) provides a brief description of the Burnside Industrial Park and the City of Lakes Industrial Park:

> "Burnside Business Park was established by the former City of Dartmouth and makes up 75% of the demand for serviced land in business parks in HRM. A variety of businesses have located in the park since its inception and support infrastructure such as hotels, restaurants and services have located here. Longer term expansion of Burnside will proceed on both privately held and publicly held lands to the east and north of the current park, and a major commercial centre is underway for lands adjacent to Highway #118". (RMPS Section 5.5.3.1)

> "The focus for the City of Lakes Business Park is that it be developed as a premier suburban office and business services location, capitalizing on its strategic location and natural features of the area". "The future of the City of Lakes Business Park should address reinforcing its role as a prestigious office building location, determining areas for expansion and reviewing and enhancing development controls to encourage appropriate land use, proper site and building design criteria and Park amenities". (RMPS Section 5.5.3.2)

8.1.2 RMPS Land Use Designations

In consideration of a functional plan for Burnside Business Park it is important to review adjacent RMPS land use designations for two reasons: any plan will depend on compatibility of adjacent land uses, and the RMPS recognizes the potential need to expand the land base for the Burnside Business Park.

Burnside Industrial Park is designated "Business and Industrial Park", lands to the south are designated "Urban Settlement", some lands on the Bedford Basin are designated

"Halifax Harbour", and lands to the north are designated "Urban Reserve" and "Rural Commuter" in the RMPS (see RMPS Map 2: Generalized Future Land Use).

Business and Industrial Park Designation
The RMPS recognizes that "it is critical that HRM's business parks are provided with the necessary infrastructure and services to sustain their success and that there is a timely supply of sufficient serviced land and development opportunities to accommodate future expansion". The Business and Industrial Park land use designation identifies lands that have priority for future industrial and business uses, and associated support uses. This designation includes all existing business and industrial parks, including Burnside Business Park. (RMPS, Section 5.3.1)

Provision for Mixed Uses in Part of Burnside Business Park
The RMPS recognizes opportunities for residential and commercial development in and near business parks. "Medium to high-density residential land uses can complement a business park by allowing easy access to employment for residents and reducing commuting costs to the individual and the Municipality as a whole. However, it is important that the location of residential uses be carefully considered in the context of the overall business park development plan to reduce and mitigate potential land use conflicts related to noise, odour, safety, traffic and related issues" (RMPS Section 5.3.2).

The area north and east of the Burnside Business Park and the City of Lakes Business Park (see RMPS Map 12, Burnside Potential Mixed Use Area) is identified as an opportunity for a complementary mix of medium to high density residential land uses: "In this area, a mix of multiple unit dwellings and townhouses may be integrated with commercial and office uses to provide for a vibrant and accessible urban transit village. Limitations on the extent of residential development shall be established to ensure that it does not become the pre-dominant land use in this area." (RMPS Section 5.3.2) Consequently RMPS policy provides for establishment of "a Burnside Comprehensive Development District (BCDD) Zone within the Dartmouth Land Use By-law which may be applied to portions of the lands east and north of the Burnside Business Park and the City of Lakes Business Park, as shown on the Burnside Potential Mixed Use Area (RMPS Map 12), by rezoning. This zone shall permit a mix of multiple unit dwellings, townhouses, commercial, office, institutional and recreation uses subject to the provisions of a development agreement." (RMPS policy EC-13)

Halifax Harbour Designation
The RMPS recognizes that "Halifax Harbour is the heart of HRM and one of our most important assets". (RMPS Section 5.2.1) The Halifax Harbour designation is intended to "support a range of development opportunities including marine-dependent industrial and commercial uses, transportation uses and facilities including ferries, recreational uses, residential uses, institutional uses and matters related to environmental improvement and protection." (RMPS policy EC-6)

A comprehensive planning process for Halifax Harbour was initiated as part of the preparation of the RMPS. This planning process is expected to result in a new set of RMPS policies "that will provide more specific guidance for future land uses and investment within the Halifax Harbour Designation". The purpose of this process is "to achieve a sustainable balance among the variety of land uses in the Harbour, including marine-dependent industrial/commercial, transportation, residential, recreational, institutional uses and environmental improvement and protection". (RMPS Section 5.2.2). One of the major guidelines for preparation of new policies is to "reserve sufficient harbour frontage and harbourfront lands for marine dependent industrial/commercial development, for the Port of Halifax to remain a globally competitive seaport" (RMPS policy EC-8)

Urban Settlement Designation
Areas to the east and south of Burnside are designated Urban Settlement. The Urban Settlement designation defines the area where urban development will occur throughout the next 25 years. This area will be provided with central wastewater and water distribution services to facilitate urban development this time period. (RMPS Policy S-1).

Urban Reserve Designation
Lands to the north of Burnside Business Park, and south of Anderson Lake are designated Urban Reserve. This designation is intended "to ensure there is a continuous supply of land that can be serviced with central (municipal wastewater and water distribution) services beyond the 25 year time horizon of this Plan". (RMPS Section 3.2)

Rural Commuter Designation
Lands to the north of Burnside Business Park and north of Anderson Lake are designated Rural Commuter in the RMPS. This is an area "within commuting distance of the Regional Centre that has been heavily influenced by low-density residential development. The primary intent of this designation shall be to protect the character of

rural communities and conserve open space and natural resources by focussing growth within a series of centres, as shown on Settlement and Transportation Map (RMPS Map 1), and carefully controlling the amount and form of development between centres". There is no intention of providing central services to lands outside of the designated rural centres.

8.1.3 Existing Zoning

Burnside Industrial Park is located within the Dartmouth planning area. There are three industrial zones in Dartmouth:

- I-1, Light Industrial;
- I-2, General Industrial; and
- I-3, Harbour-Oriented Industrial.

At present, all of Burnside Industrial Park is zoned I-2. There are no lands zoned I-1 in Burnside or adjacent areas. Dartmouth Crossing Lands are also zoned I-2. Some lands in the adjacent Wrights Cove area are currently zoned I-3. (See Dartmouth Zoning Map, Figure 8.1).

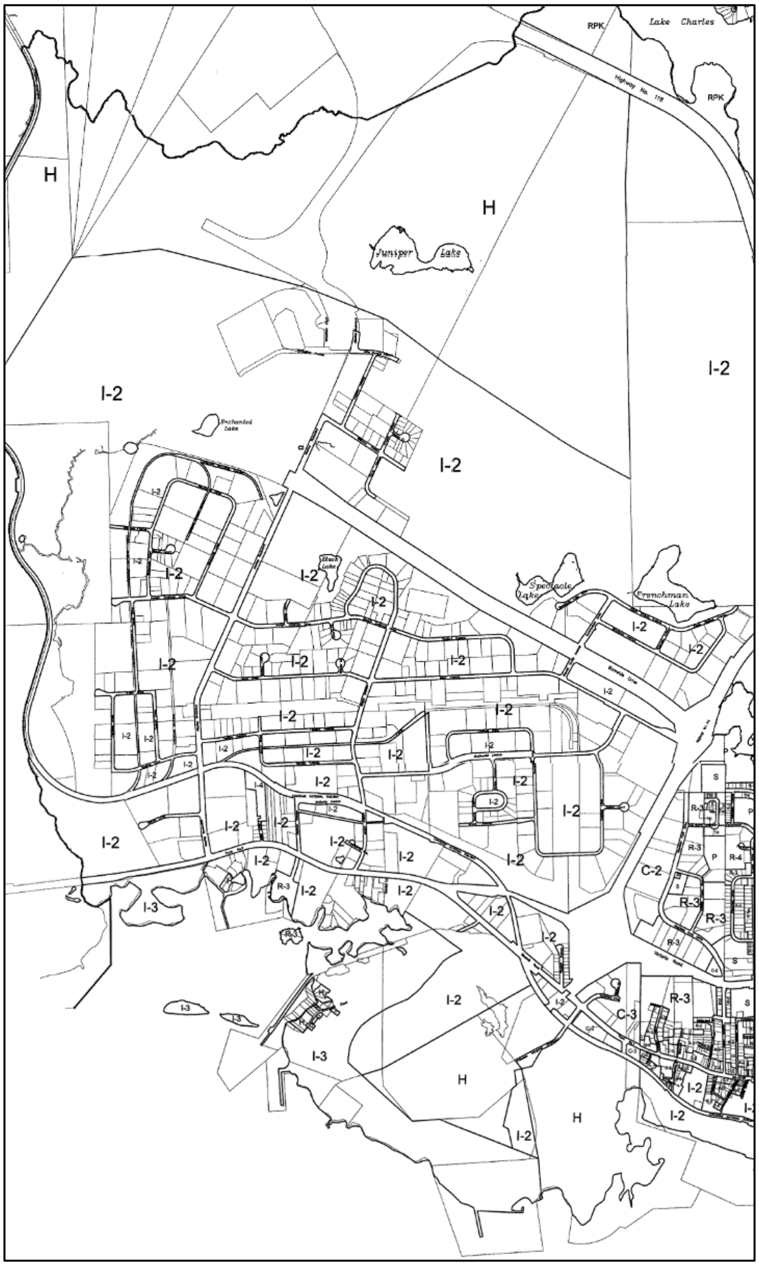
The I-2 General Industrial Zone permits a very broad set of land uses. Permitted uses include:

- business or commercial enterprises;
- warehousing and distribution;
- industrial enterprises except obnoxious uses and uses creating a hazard to the public; and
- uses accessory to the foregoing.

The I-3 Harbour-Oriented Industrial Zone permits the following uses:

- industrial uses requiring direct access to the salt water;
- construction, maintenance and repair of marine vessels;
- marine research;
- handling and storage of bulk container and general cargo;
- recreational uses; and
- uses accessory to the foregoing.

Figure 8.1 Portion of Dartmouth Zoning Map

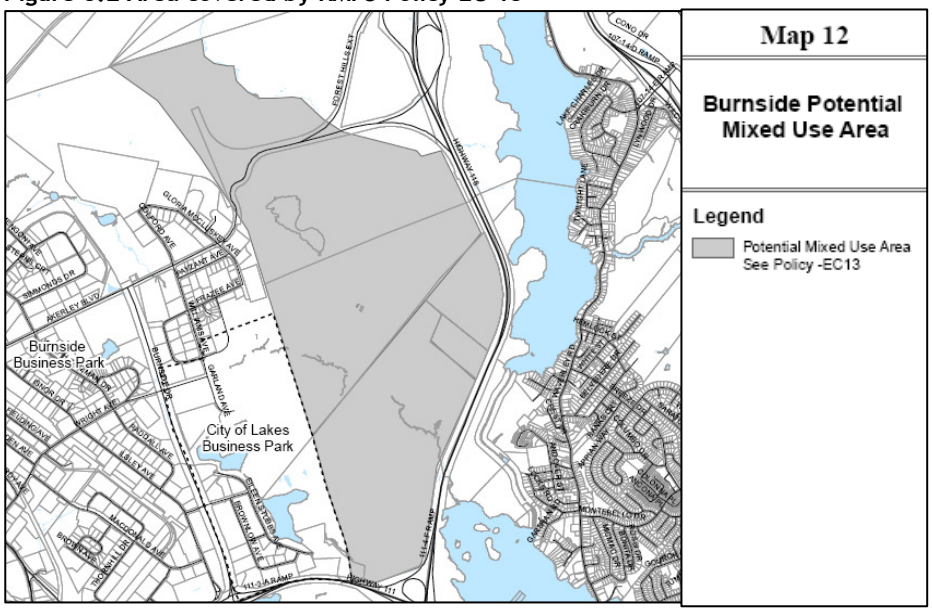


BCDD, Burnside Comprehensive Development District

Part of the Burnside Business Park has an overlay zone implementing RMPS policy EC-13. The Burnside Comprehensive Development District permits the following uses through development agreement:

- townhouse;
- apartment building;
- commercial retail;
- institutional;
- recreation; and
- offices

Figure 8.2 Area covered by RMPS Policy EC-13

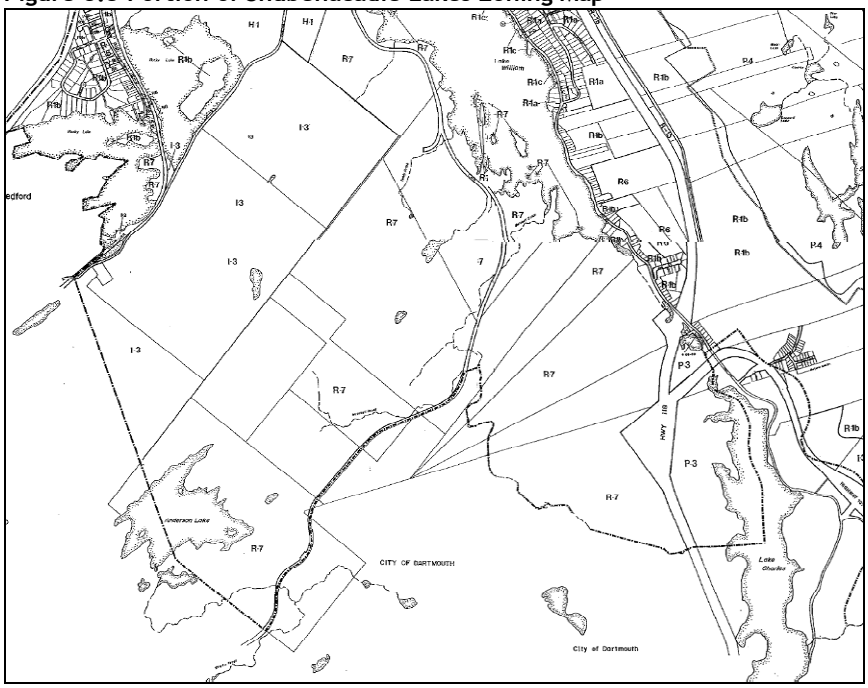


Lands to the north of the Burnside Industrial Park are in the Bedford planning area and the Shubenacadie Lakes planning area.

Lands in the Bedford planning area to the south of Anderson Lake are zoned UR (Urban Reserve), which implements the Regional Municipal Planning Strategy (RMPS) Urban Reserve designation (see RMPS Generalized Future Land Use Map). The Bedford Urban Reserve zone permits passive recreation uses and single-unit residential development on existing lots serviced with on-site wastewater disposal systems and wells. (Bedford MPS Section 31.1)

Lands in the Shubenacadie Lakes planning area are to the north of Anderson Lake and are zoned R-7 (Rural Estate). A small part of these lands abutting Anderson Lake are designated Urban Reserve in the RMPS. A larger part of the lands north of Anderson Lake are designated Rural Commuter in the RMPS.

Figure 8.3 Portion of Shubenacadie Lakes Zoning Map



8.1.4 Development Controls in Burnside Business Park and City of Lakes

In addition to policies set out in the Regional Municipal Planning Strategy, the Dartmouth Municipal Planning Strategy, and the Dartmouth Land Use Bylaw as outlined above, development in Burnside Business Park is also controlled by the "Burnside Site Development and Building Standards", which set out the basic requirements for building construction and development within the Park. Similarly, development in City of Lakes is controlled by the "City of Lakes Site Development and Building Standards". These standards specify requirements for completion of a Site Development Proposal which is a necessary component of an Agreement of Purchase and Sale for land in the parks. These standards are applied consistently across all land development in Burnside and City of Lakes, regardless of the context or intended use. Based on the review conducted for this study, it would appear that some of these site development standards are unnecessary, and are adding to the cost of development in Burnside. These issues will be addressed later on in this chapter.

Restrictive Covenants also apply in City of Lakes to support its development as a prestige suburban office park.

The Site Development Standards and Restrictive Covenants are summarized in Section 2.4.4.

8.1.5 Current Land Use in Burnside and City of Lakes Business Parks

This study suggests that Burnside Business Park is the area best situated for industrial development in the HRM. In this context, it is notable that much of the developed land in Burnside is not strictly industrial. This is entirely consistent with the Dartmouth MPS and Land Use Bylaw, which envision and permit a broad range of land uses on industrial lands. As a generalization, the older parts of Burnside are industrial, but there are significant areas of retail and commercial uses, especially along the major street in the older part of the Park, including Victoria Road, Akerley Boulevard, and Burnside Drive. The newer parts of Burnside are predominantly retail, commercial and office uses. It is worth noting that current land use controls do not provide for "obnoxious uses", which, historically, has been one of the main purposes of designating industrial lands.

The City of Lakes Business Park, intended as "a premier suburban office and business services location," also includes significant areas of retail and commercial uses along Burnside Drive that are not strictly related to office and business services. Unfortunately, as the City of Lakes park was developed, the standards were restricted, and the result is a mix of generic quality tilt-up industrial buildings (with office and retail uses), and high quality business campus style buildings. As HRM moves towards a more decentralized development pattern, the quality of office space within the City of Lakes Business Park needs to increase.

8.2 RECOMMENDED GENERALIZED FUTURE LAND USE FOR BURNSIDE BUSINESS PARK

The analysis of supply and demand for industrial land presented in this report suggests three principles that affect future land use in the Burnside Business Park.

- Protect existing industrial land with good capability for general industrial uses.
- Differentiate between uses currently permitted in industrial areas, giving priority to light industrial uses.
- Identify and secure lands for future industrial development.

These principles depart from current land use policy and zoning, which has historically provided for mixed use development in Burnside. Policy in the RMPS also recognizes opportunities for residential and commercial development in and near business parks.

The uses recommended by this study and their distribution are shown on the accompanying Generalized Future Land Use map on the following page. The intention is to provide for future industrial development, the variety of other uses that have been permitted on industrial lands in Dartmouth, and the mixed uses that are envisioned for parts of the park. It is further recommended that development standards should be specific to the various land use zones.

8.2.1 Light Industrial

The Light Industrial designation is intended to provide for a wide range of traditional industrial park land uses, including warehousing and distribution, light manufacturing, industrial enterprises, and accessory uses. Commercial and office uses will be allowed as accessory uses, but discouraged as the primary use in these locations. This description is similar to the predominant land use pattern seen in the original phases of Burnside.

8.2.2 General Industrial

The General Industrial designation is intended to provide for a range of industrial uses that need to be separated from the rest of the business park in order to minimize their impact on other users. Impacts from these users might include: noise, dust, light, and odour. This would include uses such as heavy manufacturing, metals fabrication, animal processing, food processing, distilleries, breweries, recycling and composting plants, asphalt and concrete plants, auto body salvage and recycling, and correctional facilities. Commercial and office uses will be discouraged.

8.2.3 Harbour Industrial

Halifax Harbour is essential to the industrial and economic success of HRM. It is important to protect existing industrial uses and the potential for new industrial uses on the waterfront. The Harbour Industrial designation is intended to protect areas along the Bedford Basin/Halifax Harbour that have direct access to deep water as well as back up lands that provide lay down support areas. In order to minimize conflicts with residential areas, conveyor belts should be covered to reduce dust, and lighting should be directed toward the harbour.

The inner Wrights Cove was not included in this designation, as it is fairly shallow and not conducive to marine industrial use, and cannot be dredged cost effectively due to unexploded ordinance in the harbour sediments.

The Harbour Industrial Designation includes uses that are harbour-dependent and industrial in nature; including general marine activity, bulk commodities shipping, ship maintenance and repair, oil and gas supply facilities, and similar marine industrial activities.

8.2.4 Distribution Industrial

There is growing demand, and a limited supply of land that provides for multi-modal transfer of goods and materials. The areas that offer potential for these uses should be protected from other land uses in the Distribution Industrial designation. We recommend a separate designation for this land use, as it is foreseen that this area will need road infrastructure that is oversized, and may not need as much capacity for sewer and water services. Land uses in this area will be predominantly for distribution uses, including: inter-modal freight transfer and cross dock facilities, distribution warehousing, trucking depots, logistics facilities, weigh scales, and accessory uses.

8.2.5 Business Campus

There is demand for office use outside of the central business districts of the HRM. This market is enhanced by quality, campus-style development with amenities such as personal services, recreational opportunities, and accommodations.

Office uses should be directed to the Business Campus, where priority will be given to office uses (minimum height 3 floors, maximum 5 floors), business services, and related uses, including hotels and ancillary retail such as restaurants, health clubs, and convenience stores to support the office and business environment. Design standards should ensure high quality office construction, and continue to require landscaping on

lot frontages with truck loading areas sited beside or behind buildings. Because heavy transport traffic is not expected, street standards may be relaxed to accommodate cars and delivery trucks, and allow on street parking. These streets should also be designed to provide basic pedestrian amenities, and should be closer in style to those typically found in downtown locations (e.g., having sidewalks on both sides, street furniture, on-street parking, etc). Access to amenities such as fitness gyms, banks, restaurants, etc should be encouraged in order to make the area self-sufficient.

High quality residential housing should also be allowed in the Business Campus to encourage a better jobs/housing balance, although due to limited supply, the Municipality will not sell its land holdings for this use. Recreational uses will also be allowed within the Business Campus.

8.2.6 Commercial

Commercial uses have major competitors for industrial land, especially large offices and big-box retail operations that have similar site requirements. It is a good idea to locate these uses to avoid conflict with industrial uses and to cluster high-employment areas to enhance the viability of public transportation.

Commercial lands front Victoria Road, Akerley Boulevard, Wright Avenue, and Burnside Drive and throughout Dartmouth Crossing. Commercial and office uses should be located along these major streets to reinforce existing uses, offer locational advantage, and help achieve employee densities that allow for efficient public transport systems. These streets should also be designed to provide basic pedestrian amenities. Design standards should continue to require landscaping on lot frontages with loading sited beside or behind buildings. Commercial uses include major retail uses, office (up to five floors), and recreational facilities.

Along portions of those commercial streets (Wright Avenue, for example) leading into the Business Campus, design standards corresponding to their function as “gateways” to this premier office district should be required.

8.2.7 Burnside Comprehensive Development District

It is recommended that the Burnside Comprehensive Development District zone be removed, as it is superseded by recommendations in this report.

8.2.8 Harbour Commercial/Residential

Lands that are not suitable for Harbour Industrial uses may be designated for other marine uses, such as marinas and marine supply businesses. In special circumstances, residential uses may be compatible.

Mixed Use harbour related lands are located on the Bedford Basin side of Windmill Road, between the intersection of Victoria and Windmill Road, and Akerley Boulevard. A mix of commercial and residential uses should be allowed, although office, hotel and residential uses need to address sound mitigation issues during the building construction process (i.e., the issuance of the building permit is predicated on meeting certain sound performance standards). Uses that are harbour-dependent and commercial or residential in nature include: marinas and marine supplies; office by development agreement (with requirement for sound mitigation); hotel by development agreement (with requirement for sound mitigation); multi-unit residential by development agreement (with requirement for sound mitigation); and retail uses along Windmill Road.

8.2.9 Environmental Open Space

The Environmental Open Space Designation is intended to protect valued natural areas, primarily watercourses and wetlands. Within this area, disturbance of soil and natural vegetation will be minimized. Recreation areas requiring intensive site modifications will be accommodated outside of the Environmental Open Space designation. Uses may include buffer zones and natural corridors, and trails.

8.2.10 Recommended Development Controls

Currently the site development standards within the Burnside Park are controlled through the purchase and sale agreement. Land purchasers present a site plan to the Business Parks Office, who approval or disapprove the plan. This creates several problems. First, the approvals appear to be inconsistent, with different standards applied at different points of time. More importantly, however, the site development controls are not legally binding once the property is sold, as there is no legal contract between the new owner and HRM. As well, HRM business parks staff find themselves in the uncomfortable position of having to enforce design standards with a client they are trying to sell land to.

The functional plan recommends that development standards be dropped in favour of differentiated land use zones and a site-plan approval process. Site-plan approval is a level of discretionary permitting that requires attachment of site planning criteria to

any zone. This approach would tightly integrate the site plan standards and building permit process, thus making the new process more efficient and predictable.

8.3 NEW INFRASTRUCTURE STANDARDS

With few exceptions, the municipality's infrastructure standard for Burnside is the same whether the property is developed for retail, office, warehouse or manufacturing space. Since all land uses have different infrastructure requirements, infrastructure standards in Burnside should be stratified to fit the various proposed land uses. A good fit between land uses and infrastructure would reduce infrastructure costs, keep land prices down, and provide exactly the type of amenities that each user group needs (e.g., wide roads in truck distribution areas and urban style amenities in business park areas).

Future phases of Burnside (as presented in the Future Land Use Plan) would segregate land uses to differentiate infrastructure requirements and amenities. Areas specifically designed for office space would be of a higher density, with parks, sidewalks, and urban amenities; warehouse distribution districts (segregated from office uses) would have wide streets and limited infrastructure; while manufacturing districts would have rail access and minimal infrastructure.

8.3.1 Road Standards

The trucking industry has pointed out the need for truck distribution areas with wider roads and larger turning radii adjacent to major access streets. This need will increase as the industry adopted the new tandem trailer format. The Distribution area (Phase 13) needs to have wider roads and turning radii than other areas within the Park in order to accommodate the new tandem truck trailers.

As the cost of providing truck access for small users is beginning to add substantially to the overall cost of developing property in Burnside, HRM should explore the concept of shared truck access easements on small development parcels: for example, a shared easement for five (5) one acre lots. This would help make land more affordable to local businesses.

8.3.2 Business Park Infrastructure

HRM should adopt a more urban infrastructure standard (e.g., sidewalks and parks) for places with a high concentration of workers (e.g., the Business Campus). Road standards might also be narrower, with sidewalks provided on both sides. These high-density employment nodes should also have quick access to "village like" amenities

such as banks and restaurants. On the other hand, areas of the park that accommodate transport trucks and fewer workers should have an alternative set of infrastructure standards (wider roads, fewer sidewalks, and less public amenities). This would improve the quality of the land for the users, and keep development costs to a minimum.

8.4 CHANGES TO THE MUNICIPAL PLANNING STRATEGY

8.4.1 Expand Areas for Office Development

The existing area designated as the City of Lakes Business Park should be expanded to include The Ridge office park, as well as lands east of John Savage Avenue towards the Dartmouth Crossing boundary. This is the area identified in the future land use plan as Business Campus.

8.4.2 Revise Windmill Road Corridor

The MPS and LUB for the Wrights Cove area needs to be updated based on the recommendations provided in this functional plan, as well as those in the Wrights Cove Land Use Study (Cantwell & Company, 2004). This will include changes for the Windmill Road corridor that reflect recent changes in the real estate market.

8.4.3 Redevelopment in Old Burnside

Given concerns about land use incompatibilities and the increasing scarcity of industrial land in general, industrial areas in older sections of Burnside should be protected for industrial uses. The open-ended I-2 zoning does not prevent conversion of properties in older sections to office uses. This is of concern, as an influx of office use in industrial areas could create new land use conflicts, and would decrease industrial land uses. The land use bylaw in this area should be amended to limit office space per building (e.g., a maximum of 25% of the gross building area, with a maximum size of 10,000 square feet in total).

Businesses with larger requirements for office space can easily be accommodated in the Business Campus designated area, and should be encouraged in this location.

8.5 SITE PLANNING CRITERIA

As introduced in Section 8.2.9., the plan is recommending that site development standards be dropped in favour of differentiated zoning and site planning criteria. The following describes recommended site planning criteria.

8.5.1 Reduce Consumption of Land

Recent changes in regulations regarding the width of riparian buffers (the land around wetlands and watercourse in which development is prohibited) have resulted in much less land available for development in the remaining sections of Burnside than previously calculated. Reducing land consumption through other means is needed.

Some of the current site development standards have been identified as increasing land and development costs and contributing to increased land consumption. Site planning criteria should address these issues; for example,

- Parking requirements are currently one space per 200 square feet of office floor area. This could be reduced to one space per 300 square feet of office floor area.
- Loading doors are currently required to be located at sides and rear of buildings. Locating loading doors at building fronts would increase land efficiency (see section 7.7.3).

8.5.2 Set Minimum Height Limits in the Business Campus

In order to create more sustainable development, HRM should set minimum height limit within the Business Campus. In the short term, a minimum of three floors of height would be required, with the maximum height left at five storeys. Over time, and as amendments to the Municipal Government Act (MGA) allow, the minimum height limit should be converted into a minimum floor area ratio (FAR). The minimum FAR will encourage the same sort of density, but will allow greater architectural expression (i.e., it focuses on total building density, not just building height, and can promote more variation in building configurations).

8.5.3 Set Maximum Parking Ratios

In order to create a more urban environment with higher density and better services, HRM should limit the total amount of parking allowed within the Business Campus. The intent of this is not to restrict this type of development, but rather to force office development in this location to be more efficient. A maximum ratio of 3.0 to 3.5 vehicles per 1,000 SF space would be reasonable. If this maximum ratio is not implemented, the business campus could become a sea of parking, and this would further erode the potential for public transit in these areas. Although likely not warranted at the time, should the market begin to support structured parking at some later date, a density bonus could be provided. As noted previously, setting a minimum parking ratio will require an amendment to the MGA.

8.5.4 Larger Lots with Common Truck Loading Areas

The proposed strategy of selling larger, ungraded and serviced parcels to contractors would allow them to master plan the site for shared rear access driveways. (A condominium association for the block may be required to pay for shared services such as snow plowing and maintenance.) This would result in reduced operating and land costs and reduced land consumption. This should be encouraged.

8.5.5 Changes to Site Development Standards Identified by Contractors

Contractors who build regularly in Burnside have identified improvements to site development standards in several areas to reduce costs and/or land consumption. Some or all of these improvements should be considered for incorporation into the site planning criteria:

- Relaxing requirement to provide and install master water installations and wastewater traps for special contaminants;
- Relaxing requirement to determine water pressure requirements (HRM could have this data available);
- Including tilt-up wall systems as exterior materials (Burnside only, not within Business Campus);
- Relaxing requirements for mandatory paving and curbing;
- Relaxing requirement for screening all materials, equipment and refuse containers on larger lots (i.e., within the Distribution Industrial areas) and General Industrial area;
- Relaxing landscaping standards, including relaxing requirement for concrete curbs around landscaped areas;
- Permitting gravel driveways behind buildings; and
- Reducing value of landscaping treatments from 2% of developed value of the site, or place a cap on the maximum value (i.e., this becomes a very large cost for a large facility).

8.6 GOVERNANCE

8.6.1 Advisory Group Needed for Major Business Parks

An advisory group, composed of representatives from the GBBA, the Bayers Lake Business Association (BLBA), and area councillors, should be formed to advise the business parks office on major decisions concerning Burnside and Bayers Lake. The group would meet on an as-needed basis (perhaps several times a year) to deal with major decisions, such as new phases of the park, or to review design concepts. This advisory group would advise council on the approval of major capital expenditures

within the parks, but not the day-to-day operations of the business parks office. One possible composition for this group might be: two councillors, one representative from the GBBA, and one representative from the BLBA.

Regional Council should determine a clear mandate for any advisory group, and decisions made by the group should be based on strong land use policy.

8.6.2 Create Liaison Groups for Each Strategic Sector

As recommended earlier in this report, the GHP should be responsible for marketing HRM business parks. Formal liaison groups from the key economic sectors (i.e. aerospace, nearshore financial, transload, ICT, and life sciences) should be created in order to provide input into the strategic planning and marketing of the business parks. Once specific businesses have made the decision to locate to one of HRM's business parks, an action team of GHP and sector representatives could assist in negotiating and closing major land purchases.

8.6.3 Formalize Funding Mechanism for the GBBA

Burnside has historically had a strong identity as a place of employment and commerce in the region and the province. The Greater Burnside Business Association (GBBA), has represented the businesses and employees of Burnside, and is currently run by volunteers and funded through membership fees from a small number of Burnside businesses. The organization should be reconstituted as a Business Improvement District (BID) Association to secure sufficient and ongoing funding to operate as a true business association for the park to advocate for businesses in Burnside, to advise the municipality on matters concerning Burnside, and to subsidize services in Burnside such as the shuttle bus proposed in this plan.

Provincial legislation enables the formation of Business Improvement Districts funded from area rate charges. For example, several BID associations in Halifax, such as the Spring Garden Road Merchants Association, the Downtown Halifax Business Commission and the Downtown Dartmouth Business Commission, receive funding derived from levies on business occupancy and realty taxes. Increased funding for the GBBA would allow the organization to employ a full time director and support staff.

In order to enable the BID, the initial budget for the organization should be fairly modest, with a business case prepared to illustrate the cost effectiveness of the entity to area businesses. It may be advisable to obtain input from large employers in Burnside prior to any formal vote. It may also be possible to create a joint BID between

Burnside and Bayers Lake, with staff resources shared between the two parks based on the contribution levels of each entity.

8.7 TRANSPORTATION

8.7.1 Metro Transit

Metro Transit currently services Burnside with several bus routes, as shown in Table 8.1.

Table 8.1 Summary of Metro Transit Bus Service to Burnside, City of Lakes and Dartmouth Crossing

Route #	Business Parks Service	Connections to	Frequency
51	Akerley and portions of northern Burnside	Wallis Heights, Bridge Terminal	30 min; operates weekday rush hours only
52	Akerley, Fielding, portions of Wright, Ilsley; MacDonald; eastern portion of Burnside Dr.	Lacewood, Mumford, Bridge and Highfield Terminals	30 min. off peak; additional service at peak
64	Windmill, Akerley, Fielding, portions of Wright, Ilsley	Bridge and Highfield Terminals	30 min; operates weekday rush hours only
66	Akerley, Fielding, portions of Wright, Ilsley, City of Lakes; southern portion of Burnside Dr.	Lower Sackville; Bedford; Highfield Terminal; MicMac Terminal; Penhorn Terminal; Woodlawn	30-60 min. weekday peak only
72	southern portions of Burnside Dr. and Ilsley	Portland Hills, MicMac and Highfield Terminals	30-60 min
84	Windmill	Downtown and Lower Sackville	operates weekday rush hours only
85	Windmill	Downtown and Lower Sackville	operates weekday rush hours only
87	Windmill	Lower Sackville and Donwtown (downtown at rush hour only)	30 min.
185	Windmill	Lower Sackville and Downtown	10 min. peak and 30 min. off peak
56	Wright, Countryview	Westphal; MicMac, Penhorn and Portland HillsTerminals	30 min.

Metro Transit recognizes that its Burnside service needs improvement, especially in the frequency of service and in access to a larger area of the park. Metro Transit is planning to improve service to the area over the next few years, with several initiatives, including:

- adding routes to service Wright Avenue (2010- 2011);
- modifying Route 72 to include more service to Burnside Dr. and Commodore;
- extending the hours for Route 66;
- increasing the frequency of service on Route 52 (2008-2009); and

- constructing a new terminal in Burnside (new terminals at the bridge and Lacewood are higher priority, however).

General goals are to increase the frequency of existing routes, and to increase access to Commodore and Wright Avenues. There have been discussions regarding the introduction of a shuttle bus within the Park area.

8.7.2 Free Shuttle Bus in Burnside

There are several options for providing internal bus service within Burnside Park, such as a low cost, on-demand bus or taxi service (for example, "dial-a-ride" services currently operating in some business parks[21]) and a continuous loop, free, shuttle bus.

A free shuttle bus might be modeled on FRED (Free Rides Everywhere Downtown), a shuttle service (using a regular transit bus) that operates from July to October in Halifax's downtown core. FRED is a partnership between Metro Transit and the Downtown Halifax Business Commission, and funded by Metro Transit (60%); and the Business Commission, downtown business sponsorship and advertising revenue (40%). FRED caters to the tourist market in downtown; a Burnside shuttle would require a more regular and reliable schedule and year-round service.

It is quite plausible that this bus would follow a figure-eight loop that includes Victoria, Akerley, Burnside, Commodore, and Wright Avenue. The central point of overlap for the route would be the proposed bus terminal. This route would pick up all of the existing and proposed areas with high employee density.

8.7.3 Central Bus Terminal

Although Metro Transit is not planning substantial improvements to service in Burnside for several years, providing better access to Burnside Park for employees through an improved public transit network is required in the short term. Service to the park should provide connections for residents living in adjacent residential communities, including Highfield Park, north and central Dartmouth, and Montebello. The service should be anchored by a central bus terminal.

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[21] York Region initiated a pilot dial-a-ride service in 2007:
http://www.york.ca/Publications/News/2007/Aug+27+-+Dial-a-Ride.htm

A new central terminal (similar to Metro Transit's terminal in Sackville) should be located on the Burnside Drive Corridor, close to employment nodes. The intersection of Burnside Drive and Wright Avenue would be a preferred location, given the distribution of employment in the Park, but this site may not have sufficient land available. The location of the proposed facility warrants additional study.

A typical terminal covers 1.4 acres, with a 2,500 square foot enclosed terminal building. The terminal building would contain washrooms for passenger and operator comfort. Outside passenger waiting areas would have several glassed-in shelters. Provision for Park and Ride would require an additional 5.6 acres of land. A terminal of this size built in Portland Hills in 2005 cost $2.8M.[22]

Metro Transit anticipates that approximately six routes would serve the terminal. A new Metrolink route along the planned Burnside-Sackville Expressway could complement the Metrolink bus (185) currently servicing Windmill Road from Lower Sackville and Downtown.

8.7.4 Employee Transit Survey

Metro Transit currently has very little information on origination and destination data; however, there are plans to implement an electronic fare collection system by the fall of 2010, which will have the benefit of providing some data collection and evaluation in order to improve route and service planning.

In collaboration with the GBBA, Metro transit is currently conducting a survey of employees in Burnside Park to gather data on employee originations and destinations, current travel habits, work hours, and opinions on the current transit service to Burnside. The results of this survey should be used to improve current route scheduling within the Park, and to help plan the proposed free shuttle.

8.8 THE GREENING OF BURNSIDE

8.8.1 Eco-Industrial Efficiency in Burnside

Burnside Business Park has been a testing ground for eco-industrial concepts since 1991, when a research group at Dalhousie University began investigating industrial parks as "ecosystems" that function in similar manner to the natural functioning of species and

[22] Figures are based on Metro Transit data (2005) for the Portland Hills Terminal.

communities. In 1998, Burnside's Eco-efficiency Centre opened as a joint initiative of the School for Resource and Environmental Studies at Dalhousie and Nova Scotia Power. The Centre supports park businesses with services and information resources. It has a focus on energy and water conservation, and pollution prevention and source reduction. The efforts of the Centre have developed Burnside's reputation world-wide as an example of a business/industrial park that is moving towards eco-efficiency.[23] The Eco-efficiency Centre is an active member of the Greater Burnside Business Association.

The development of eco-industrial parks (EIPs) is still relatively new and is an application of sustainability principles in business settings (although they tend to be driven by financial benefits). EIPs focus on the minimization of energy requirements, the use of industrial waste as inputs, and the development of an industrial system that is diverse and resilient. EIPs may be "green industry parks" (with businesses that operate according to greener principles) or "integrated eco-industry parks" (with a focus on resource and energy flows among businesses). [24]

An example of an EIP is Kalundborg Park, Denmark, which developed organically over a long period since the 1960s, and whose businesses use each other's surplus heat and waste products to save emissions and money. Proximity of businesses helps to achieve efficiencies. Deliberate planning efforts to develop integrated eco-industrial parks demonstrate that policy intervention is largely unsuccessful in producing EIPs, which are based on self-organizing and collaborative behaviour among firms. [25]

There are opportunities in Burnside for businesses to develop materials and energy networks as older portions of the park redevelop; in newer areas, businesses may choose to co-locate to take advantage of proximity and energy and materials synergies. To this end, HRM should:

- Promote the eco-efficiency concept by supporting the continuation of the eco-efficiency centre (through funding for staff);
- Support collaboration between businesses in co-locating for materials and energy;

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[23] Eco-efficiency Centre website. Available: http://eco-efficiency.management.dal.ca

[24] Tudor, Terry, Emma Adam and Margaret Bates. 2007. Drivers and limitations for the successful development and functioning of EIPs: a literature review. *Ecological Economics*. 61:199-207.

[25] Gibbs, David, and Pauline Deutz. 2005. Implementing Industrial Ecology? Planning for eco-industrial parks in the USA. *Geoforum*. 36:452-464.

- Support the development of an energy strategy to increase efficiency and reliability of the energy grid.

8.8.2 LEED (Leadership in Energy and Environmental Design)

As the GBBA has suggested, HRM should encourage the construction of LEED certified and energy efficient buildings. This might include the provision of information to existing landlords on the benefits of a LEED building.

8.8.3 Transportation

Transportation technologies and infrastructure used in the park can be improved to reduce energy requirements and emissions. HRM should:

- commission an alternative transportation plan for Burnside Park with a focus on providing infrastructure (e.g., bus shelters, bicycle lanes, and pedestrian infrastructure) to give employee the choice of alternative forms of transportation (as suggested in Section 7.10.1);
- institute a no idling policy for vehicles; with education, promotion and signage to support policy implementation.

8.8.4 Green Infrastructure

Green infrastructure refers to the use of natural structures to provide functions such as storm water handling that are usually provided by engineered infrastructure. There is potential within some areas of Burnside to:

- carry storm water in swales rather than pipes (particularly applicable in Phase 13);
- reduce asphalt coverage to allow storm water to penetrate the ground;
- use low areas or wetlands to retain and clean storm water.

APPENDIX A – BACKGROUND DOCUMENT SUMMARIES

HRM's Regional Municipal Planning Strategy, 2006

The *Regional Municipal Planning Strategy (MPS)*, adopted in 2006, is the regional land use planning framework for Halifax Regional Municipality for 25 years. Key aspects of the plan include: directing growth to compact mixed-use settlement centres; protecting the environment; developing economic hubs (including encouraging a strong central economic cluster and providing adequate business/industrial park lands); integrating land use and transportation for more efficient transportation networks; enhancing quality of life; creating more efficient and sustainable servicing; and protecting culture and heritage. One means of implementing the Regional MPS is through functional plans. Functional Plans under the MPS are management guides, not land use policy. The Business Parks Functional Plan will investigate topics relevant to developing and sustaining business parks in the region.

Business Parks in HRM's suburban areas (with the exception of Ragged Lake), are within the Business/Industrial Park sub-designation under the Urban Settlement designation (See Table X). The Urban Settlement designation contains lands identified with the potential for growth of industrial and business uses and support uses. Ragged Lake is within the Business/Industrial park sub-designation under the Urban Reserve designation. Urban Reserve Lands are those abutting the Urban Settlement Designation which could be serviced beyond the next 25 years.

The Business/Industrial Park sub-designation provides priority for a mix of industrial, commercial, service and support uses. Policy allows for servicing (for wastewater and water distribution) to be extended to HRM-operated parks.

City of Lakes Business Park is also identified as an Urban Local Centre within the Urban Settlement Centre designation (see Figure 2), meaning that it may become a mixed-use transit-oriented community that will accommodate mixed housing types, office, retail and institutional uses, as well as parks, trails, community gardens and public open spaces. Urban Local Centres will be characterized by mixed densities and uses and all-day transit. *(RMPS Section 3.1: Urban Settlement Designation; Table 3-1: Characteristics of Centres; Maps 1 and 2.)*

The plan notes that the areas north and east of Burnside Business Park and City of Lakes ("Burnside Potential Mixed Use Area"; see Figure 3) may be suitable for a mix of medium to high density residential land uses to be integrated with commercial and

office uses to create a "vibrant and accessible urban village." The plan suggests limitations on residential development to prevent it from becoming the predominant land use. Policies EC-13 and EC-14 require that HRM establish a Burnside Comprehensive Development District for the area, and set out requirements and conditions for development. (*RMPS Section 5.3: Business and Industrial Parks;* Map *12, Burnside Potential Mixed Use Area*).

Table A-1 Regional MPS Designations for Business Parks in HRM

Area	General Designation	Sub-designation/ Centre/ Zone and policy statement	
HRM Owned Parks			
Burnside Business Park	Urban Settlement	Business/Industrial Park	"priority areas for an integrated mix of industrial, commercial, service and support uses"
Area north and east of Burnside and City of Lakes Business Parks	Urban Settlement	Burnside Comprehensive Development District Zone	"zone shall permit a mix of multiple unit dwellings, townhouses, commercial, office, institutional and recreation uses subject to the provisions of a development agreement". The residential component "shall constitute a minor portion of the area of the Business Parks shown on Map 12."
City of Lakes Business Park	Urban Settlement	Business/Industrial Park	"priority areas for an integrated mix of industrial, commercial, service and support uses"
		Urban Local Centre	"mix of medium to high density residential, commercial, institutional and recreational uses"
Bayers Lake Business Park	Urban Settlement	Business/Industrial Park	"priority areas for an integrated mix of industrial, commercial, service and support uses"
Lakeside Business Park	Urban Settlement	Business/Industrial Park	as above
Ragged lake Business Park	Urban Reserve	Business/Industrial Park	as above
Aerotech Business Park	Rural Commuter	Business/Industrial Park	as above
Provincially Owned Parks			
Atlantic Acres Business Park	Urban Settlement	Business/Industrial Park	as above
Bedford Business Park	Urban Settlement	Business/Industrial Park	as above
Sackville Business Park	Urban Settlement	Business/Industrial Park	as above
Woodside Business Park	Urban Settlement	Business/Industrial Park	as above
Eastern Shore Business Park	Rural Commuter	Business/Industrial Park	as above
Sheet Harbour Business Park	Rural Commuter	Business/Industrial Park	as above
Musquodoboit Harbour Business Park	Rural Resource	Business/Industrial Park	as above

Note: Business/Industrial Park sub-designations include existing parks and their proposed future expansion areas.

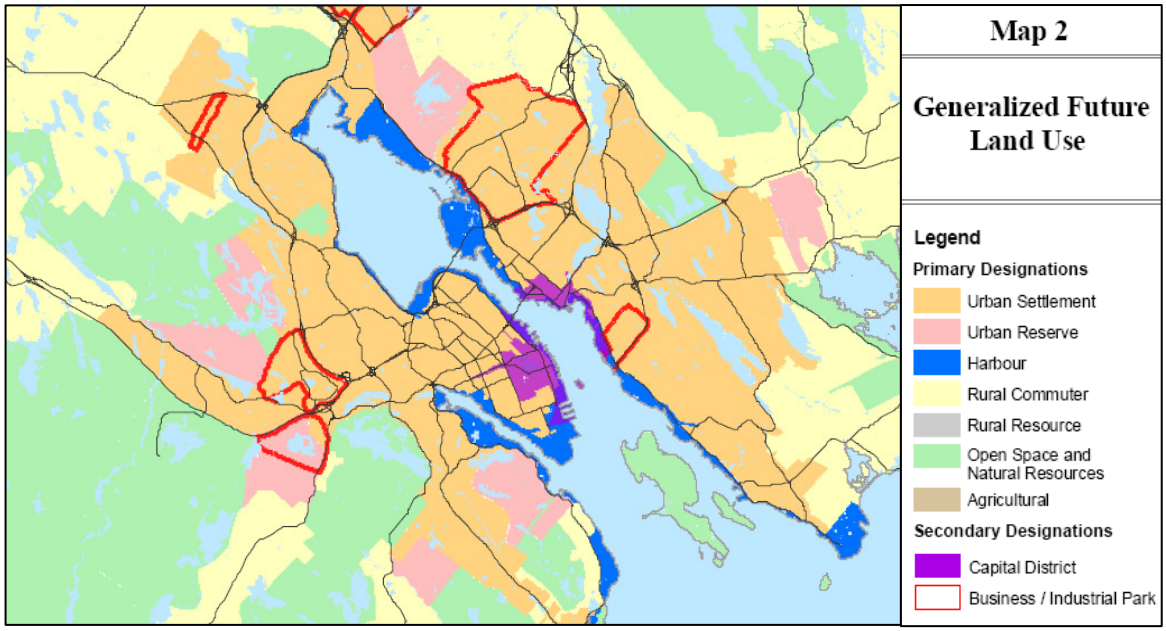


Figure 2. Excerpt of Regional Planning Strategy Map 2

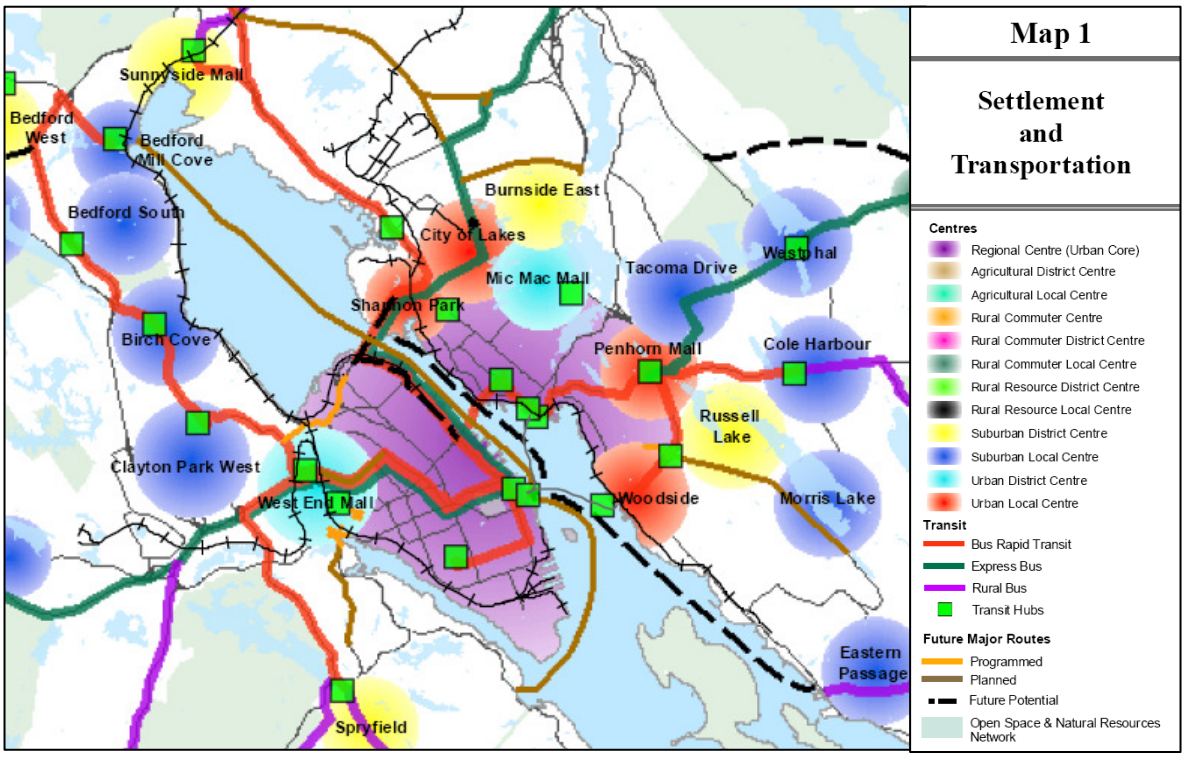


Figure 1. Excerpt of Regional Planning Strategy Map 1

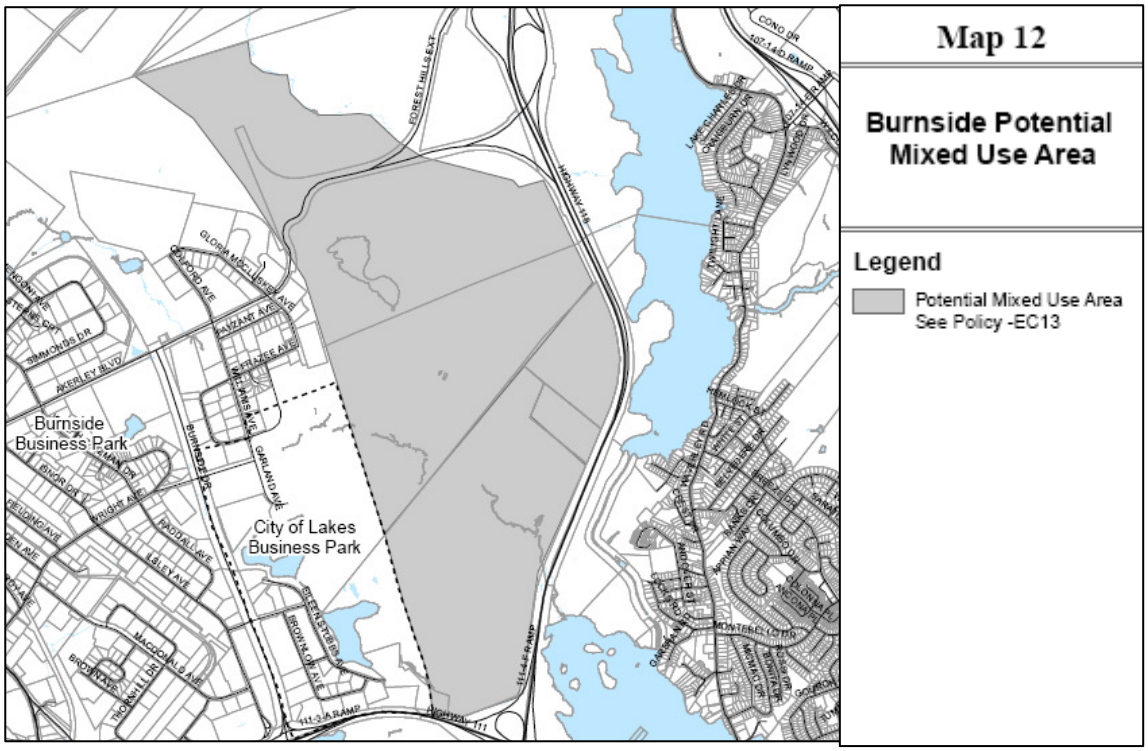


Figure 3. Excerpt of Regional Planning Strategy Map 12

Dartmouth Municipal Planning Strategy (MPS) & Land Use By-Law (LUB), 1978
The following is a summary of pertinent land use planning policy (from the Dartmouth MPS) and land use by-laws (from the Dartmouth LUB) for industrial areas in Dartmouth.

At the time the Dartmouth MPS was written in 1978, there were three major areas of industry in the City of Dartmouth: North Dartmouth (including Burnside and Commodore industrial parks); South Dartmouth (now Ocean Industries, Woodside); and the harbour shoreline. Policy was concerned with encouraging new industrial growth while locating it where it would not disturb residential areas.

In North Dartmouth, development for industry had used 20 acres per year of serviced lands on average; most demand was for lots under one acre. Available Burnside lots were about five acres. Long term expansion was expected to the north and east of the proposed Burnside Expressway. The MPS recommended that the Dartmouth Industrial Commission provide firms with a selection of serviced sites by providing at least 30 acres of serviced industrial land per year.

The Navy Island area (Wrights Cove) was identified for further marine industrial development; other waterfront lands were seen as significant and designated for protection for future harbour industrial uses. In Woodside, the MPS recommended that the provincially owned industrial park should be used for non-obnoxious uses and that the park should not be given rail access. Long term expansion of "light selective industry" was planned for the lands to the east of Imperial Oil's site.

(Reference: Dartmouth MPS Policies M-1 to M-6))

The creation of City of Lakes Business Park was approved by Dartmouth City Council in 1983; the park was intended to be a "high profile, prestigious office and business location" for office uses which did not require or desire a downtown location, with the advantage of natural amenities and "gateway" location. In 1990, a permitted height increase from three storeys to five was implemented to attract new offices, enhance the location as a concentrated office node, and increase the viability of development projects.

(References: Dartmouth MPS Policies C-15 and C-16)

Currently, Burnside Park is zoned I-2 (General Industrial); harbour areas are zoned I-3 (Harbour-oriented Industrial). I-2 zoning permits:

- C-3 (General Business) uses
    - C-2, or General Business uses (except residential)
    - warehousing and distribution
- Industrial enterprises except obnoxious uses and uses creating a hazard to the public.

City of Lakes Business Park is also zoned I-2 (General Industrial).

Dartmouth MPS policies direct office density either to the downtown core, or to the City of Lakes Business Park.

Active Transportation Plan, 2005

The *Active Transportation (AT) Plan* for Halifax Regional Municipality (comprising a plan, policies and standards manual for an active transportation network for HRM) was developed in 2005 by SGE Acres Limited, in association with Marshall Macklin Monaghan and Go For Green. The AT Plan is one of the functional plans identified by the Regional MPS. AT includes "Active Commuting", "Active Workplace Travel", "Active Destination Oriented Trips", and "Active Recreation". The AT plan is designed to be integrated into the Regional MPS, especially in relation to transit and residential growth.

A central goal of the AT Plan is to double the number of people who use AT modes for a portion of their entire trip. The plan recommended a hierarchy of routes and facilities, including off road multiuse trails, sidewalks, cycling routes, bicycle lanes, and paved shoulders. The network includes a primary "Spine" System (to provide links between major nodes) and a secondary "Community" system (that feeds into the spine system). Each system is broken down into a pedestrian system and a cycling network.

The plan notes the importance of providing better AT connections for the Burnside area, which had 11.1% of HRM's total employment in 2004. The plan recommends a five kilometre on-road bike lane as part of the Burnside-Sackville expressway.

North Dartmouth Planning Study, 1994

The *North Dartmouth Planning Study*, prepared by EDM for the City of Dartmouth prior to the development of what is now known as Dartmouth Crossing, was a land use plan and long-term development strategy for approximately 1700 acres of land between Lake Charles and Burnside Industrial Park (see maps, following). The area was identified as a potential expansion area for Burnside Business Park (two thirds of this land was owned by the City of Dartmouth, while the remainder was owned by the Whebby Interests –

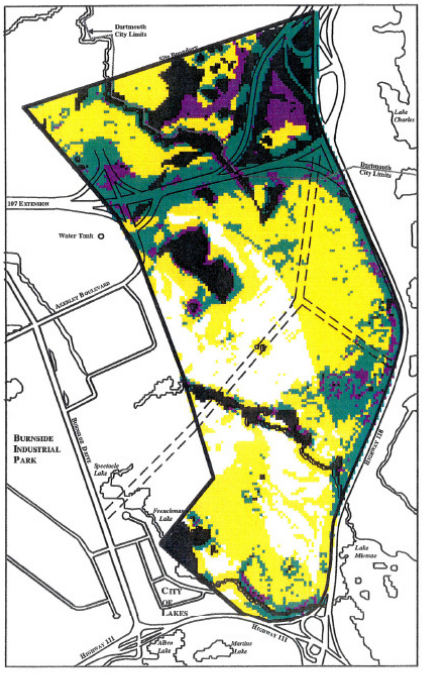
now Dartmouth Crossing). The land use plan was based on an ecological inventory and analysis, and suitability analysis of the lands. The suitability analysis indicated that the site was generally well-suited for residential development (the central area in particular), and generally suited for industrial destination and business development. The area directly to the west of Highway 118 was determined to be unsuitable for industrial development because of the requirement to direct storm and sanitary sewers to the Burnside System. The central and lower portions of the site were determined to be most suitable for business park development.

(Note: City of Dartmouth council never accepted the recommendations on residential housing due to concerns about the loss of industrial land to the business park. Subsequent infrastructure investments related to Dartmouth Crossing have now remediated the municipal servicing constraints identified in the study.)

The plan recommended development embedded in an open space plan and a transportation network (including the extension of Wright Avenue to a proposed interchange on Highway 118). Implementation priorities were to construct the transportation network and provide servicing within the open space framework first.

BUSINESS PARK SUITABILITY

FIGURE 5.7



LEGEND
- Most Suitable
- Suitable
- Moderately Suitable
- Least Suitable
- Unsuitable

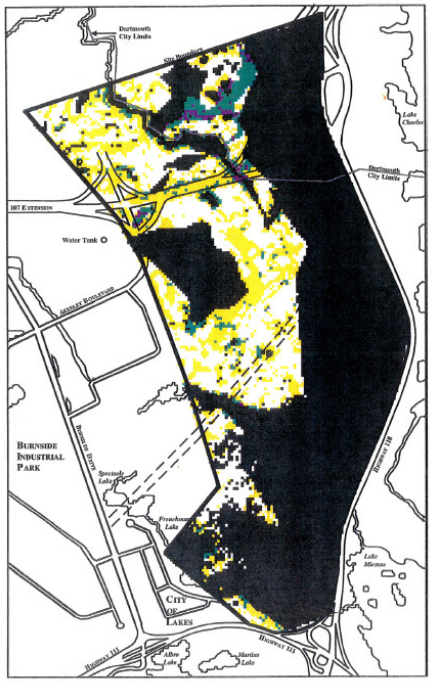
North
Date: January 1994
Scale: 1 : 24 000

EDM

NORTH DARTMOUTH PLANNING STUDY
CITY OF DARTMOUTH

INDUSTRIAL / DESTINATION SUITABILITY

FIGURE 5.5



LEGEND
- Most Suitable
- Suitable
- Moderately Suitable
- Least Suitable
- Unsuitable

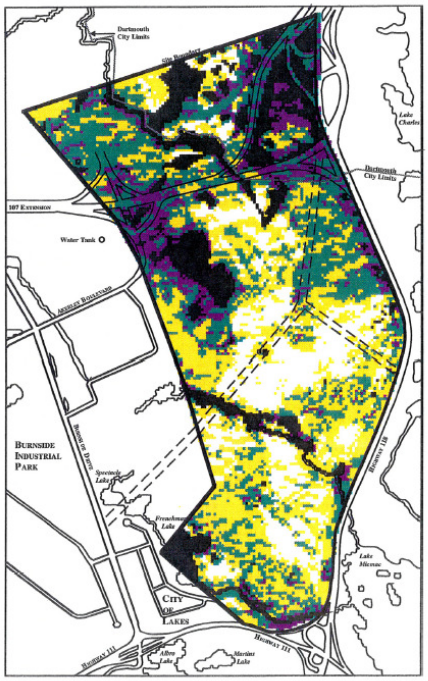
North
Date: January 1994
Scale: 1 : 24 000

EDM

NORTH DARTMOUTH PLANNING STUDY
CITY OF DARTMOUTH

SERVICED RESIDENTIAL SUITABILITY

FIGURE 5.2



LEGEND
- Most Suitable
- Suitable
- Moderately Suitable
- Least Suitable
- Unsuitable

North
Date: January 1994
Scale: 1 : 24 000

EDM

NORTH DARTMOUTH PLANNING STUDY
CITY OF DARTMOUTH

LAND USE PLAN

FIGURE 6.1

LEGEND
Land Uses
- Industrial/Destination
- Business
- Residential
- Business/Residential
- Commercial
- Open Space
- Undefined
- Powerline Corridor
- Underground Powerlines

North Dartmouth Planning Study
City of Dartmouth

0 330 660 Metres

North
Date: January 1994

EDM

Wrights Cove Land Use and Transportation Plan, 2006

Developed by Cantwell & Company, Atlantic Road and Traffic, Marinova Consulting and LandDesign Engineering, this study assessed the marine industrial and build-out potential of the Wrights Cove area, assessed long-term impact on infrastructure, and made recommendations about the revision of the Municipal Plan. This plan was commissioned to allow HRM to respond to a growing number of rezoning requests for land along the Windmill Road corridor, between Burnside and the Bedford Basin (Wrights Cove).

This plan reviews the potential for marine industrial development within Wrights Cove and concludes that development is only feasible on the outer portion of the Cove (i.e., on the Basin side of Navy Island). This conclusion recognizes the limited water depths of the inner Cove, as well as the inability to cost effectively dredge this area due to the presence of unexploded ordinance (UXO).

Recommendations included:

- maintaining and expanding marine industrial uses in a portion of the area;
- retaining existing residential and limited new residential development under strict conditions (e.g., sound attenuation standards); and
- modifying land use bylaws to control commercial development and mitigate negative effects from adjacent industrial uses.

The study highlighted the need to deal with the changing nature of development; for example, the I-2 zoning along Windmill Road has supported the evolution to highway commercial areas. The resulting mix of uses has created incompatibilities. In general, in industrial/marine industrial areas, the potential for residential development is creating land use incompatibilities and is expected to decrease the potential of future industrial uses.

The study noted that construction of the Highway 107 extension (Burnside to Sackville) would improve traffic on Windmill Road, which sees more than 50,000 vehicles per day.

Planning for the Western Common, 1999

The Western Common study was prepared by EDM for an 8,000 acre parcel of land to the west of peninsular Halifax, including the former water supply for the city of Halifax, and the Ragged Lake Business Park.

The study noted the limited access to the site by transportation infrastructure, the lack of municipal infrastructure and the presence in some locations of thick till and soils. The market assessment found that the area could support a modest amount of new residential development. Ragged Lake Business Park was noted as a prime location for a high quality business park, provided access could be established.

The land use plan recommended the creation of a large wilderness common to protect most of the near-urban wilderness land and protect water quality in the area's lakes; and a mixed use development near Blueberry and Ragged Lakes that would incorporate the existing Ragged Lake Business Park. Transportation access would be via a flyover from Bayer's Lake Park over Highway 103. Active recreation facilities (i.e., an equestrian facility, a soccer and ballfield complex, and golf course) were also proposed.

Note: The study's conceptual land use plan was adopted by Regional Council in June, 2000.

HRM's Economic Development Strategy, 2005-2010

This strategy was prepared by the Greater Halifax Partnership in consultation with stakeholders and citizens; it was intended to provide vision and direction for economic development in the region. Under broad goals, it summarized challenges and identified strategies to grow the economy from 2005 to 2010. The five goals and selected relevant strategies for the Business Parks Functional Plan are:

- To generate upscale, high salary jobs in growth industries to build a stronger labour force;
    - Develop and promote a business case for retention, expansion and attraction of DND facilities and other federal government offices in the urban core.
- To leverage the creative community through strategic investment in social and cultural infrastructure;
    - Ensure that municipal tax, policies and regulations are sensitive and supportive of economic drivers such as the universities, hospitals, DND, government offices, finance, insurance and professional services.
- To create a "gung-ho" business climate that attracts smart, risk taking companies;
    - Ensure that a competitive tax and regulatory regime supports HRM's growth drivers.
    - Consider the use of incentive strategies as a way to assist business development in targeted areas of HRM

  - Develop a business park strategy to act as a guide to future development and target economic development objectives, timely expansion and cost effectiveness.
  - Modify tax and regulatory barriers to office development in the Capital District while remaining consistent with community objectives of preservation of historic character and view planes.
  - Identify strategic reinvestment areas to ensure adequate long-term supply and diversity of industrial and commercial land and building types throughout the city including low-cost facilities for start-up and early-growth firms.
  - Improve the marketing of industrial space in HRM.
  - Consider new operating models for business parks that include a direct economic development mandate.
  - Explore innovative approaches for business space development and business incubation
- To attract companies and people by capitalizing on HRM's reputation as a livable place;
- To partner to improve the economic climate.

Opportunities for Sustainable Prosperity (NS Economic Strategy), 2000 and 2006

Opportunities for Sustainable Prosperity 2006 is an updated economic growth strategy for Nova Scotia that builds on an original strategy released in 2000. The strategy is based on "sustainable competitiveness". The eight strategic focus areas are: *Trade and competitiveness, Productivity through innovation, Business climate, Financial capital, Sustainability, Infrastructure, Labour Force*, and *Regional capacity*.

Trade and competitiveness includes the objectives of increasing the number of exporters in the province and supporting current exporters in growing their export volumes. Nova Scotia Business Incorporated (NSBI) is focusing on pursuing US companies looking to outsource IT services and international companies for nearshoring financial services.

Business climate has the goal of supporting a business climate that attracts out-of-province investors and encourages local business (e.g., by reducing red tape).

The province has established programs such as the Technology Seed Investment fund and the Industrial Expansion Fund to supports its goal of ensuring financing for sustainable opportunities under the *Financial capital* focus area.

Infrastructure has the goal of supporting infrastructure that can be sustained and will support economic activity (e.g., transportation and industrial land).

Economic Potential of HRM and Halifax Harbour, 2004

Economic Potential of HRM and Halifax Harbour was completed in 2004 by Gardner Pinfold Consulting Economists Ltd. for HRM, WDCL, NSOED and ACOA. The two main objectives were to review the economic potential of the region on a sector by sector basis to support regional plan development, and to identify best uses for harbour land to support harbour plan development.

HRM's $10 billion economy is dominated by service sector activities. Recent economic growth has been strong, but may moderate in the next several years. Among the land use planning issues identified are:

- Competition and conflict over use of waterfront land that may threaten potential industrial growth;
- A drift of office locations to the suburbs, with a loss of amenity and services downtown;
- The dominance of big box retailing, undermining downtown retail vitality.

Business Park Assessment and Growth Plan, 2005

The Business Park Assessment and Growth Plan was developed for HRM by CBCL and Cantwell & Company. The report presents expansion concept plans, a financial strategy and an implementation plan for Burnside, Bayer's Lake, Ragged Lake and Aerotech parks, based on conditions in HRM at the time, HRM's economic forecast for the region, and North American trends in business park development.

Some key general recommendations to HRM were to:

- use debt financing to leverage the land reserve account to service larger parcels of land and decrease the lag between demand and construction
- sell larger parcels of serviced and ungraded land for large development, and smaller ungraded serviced parcels for small-scale development.
- service and sell remnant parcels
- pre-sell new development phases

- designate land in Countryview (now Dartmouth Crossing) abutting City of Lakes as office campus where possible
- develop new access standards for Wright Avenue to provide direct access to parcels with arterial road frontage
- stratify municipal infrastructure standards in Burnside and Bayer's Lake to suit user groups (i.e., retail, office, warehousing and manufacturing)
- support development of the Burnside Expressway
- create rapid bus transit to Burnside
- develop a pedestrian-based transportation plan for Burnside
- redevelop older areas of Burnside
- anticipate future institutional uses and locate them carefully
- place a moratorium on development at Ragged Lake
- increase price of land at Aerotech to enable funding the next phase
- create a Bedford West Business park
- land bank for business park expansion
- partner with other levels of government for economic development initiatives
- partner with the Province to co-market industrial land in HRM

Building the Container Transload Sector in Halifax, 2007

This study was conducted by Marinova Consulting (with UMA Engineering, Colliers International, Starboard Alliance LLC, CBCL Engineering, and Trampoline), to examine the business case, suitable sites, funding and marketing for a Transload Facility (a facility for the reloading, repackaging and warehousing of freight) in HRM.

The study was premised on the concept that building the transload sector in Halifax is critical to the success of the Atlantic Gateway concept, as it will increase cargo throughput in the port so that it can compete with larger volume ports.

Phase 13 of Burnside Business Park (the land north of Akerley Boulevard and the Highway 107 Extension north of the Correctional Facility) was identified as the preferred long-term location for a transload facility.

APPENDIX B - BUSINESS PARKS & MAJOR COMMERCIAL AREAS

Aerotech Business Park

- Adjacent to the Stanfield International Airport off Highway 102.
- Started in the 1980s

Owner

- Halifax Regional Municipality

Status

- Currently there are approximately 100 acres of serviced land available for sale.
- Servicing issues need to be addressed before more development can proceed in this park.

Marketing Position

- This park was originally a specialty park targeting the aerospace and manufacturing sectors. A stringent set of land use regulations was put into place to limit other development types.
- Although some large aerospace anchor tenants have been attracted to the park including Pratt & Whitney, the aerospace niche has been too limited to drive the development of this park to its full potential.

Major Tenants

- Pratt and Whitney
- Northrop Grumman Canada

Development Area (approximate)

Gross Acreage	2,430
Serviced Acres Sold	169
Serviced Acres Available For Sale	100
Unserviced Acres in Land Reserve	2,061
Total Net Acres for Future Development	647

Sales Data

Sales in Aerotech accounted for 1% of total sales revenue of HRM business parks between 1999 and 2008.

1999/00	$0
2000/01	$0
2001/02	$0
2002/03	$0
2003/04	$0
2004/05	$143,351
2005/06	$442,223
2006/07	$0
2007/08	$0
Total Sales	$585,574
Average	$65,064

Bayers Lake Business Park

- Located adjacent to Clayton Park, west of Highway 102 and north of Highway 103.
- Opened in the mid 1980s; most development occurred in the 1990s.

Owner

- Halifax Regional Municipality

Status

- This park is approximately 580 acres in size, and is one of the pre-eminent retail commercial areas in Halifax. It contains more than 250 enterprises that employ approximately 1,800 people.
- All lots within the serviced areas of this park have been sold.
- Interest has been expressed by the development community to expand the park by approximately 80 acres behind Kent Building supplies.
- development costs of a park expansion will be very high given the presence of pyritic slate bedrock

Marketing Position

- This park is anchored by big box retailers, but also caters to restaurants, smaller retailers, and some light industrial uses such as warehousing and distribution.

Major Tenants include:

- Costco
- Walmart
- Kent Building Supplies
- Zellers
- Rona
- Lakeview Inn and Suites
- Empire Cinemas

Land Pricing
$3.75 to $4.75 per square foot

Development Area (approximate)

Gross Acreage	582
Serviced Acres Sold	342
Serviced Acres Available For Sale	34
Unserviced Acres in Land Reserve	206
Total Net Acres for Future Development	83

Sales Data

Sales in Bayers Lake accounted for 13% of total sales revenue of HRM business parks between 1999 and 2008.

1999/00	$722,040
2000/01	$181,203
2001/02	$562,937
2002/03	$169,924
2003/04	$1,346,445
2004/05	$1,715,222
2005/06	$1,028,556
2006/07	$112,978
2007/08	$0
Total Sales	$5,839,305
Average	$648,812

West Bedford Business Campus

- Located off Hammonds Plains Road, extending from Highway 102 to the Atlantic Acres Business Park.
- Designated as a "mixed use business campus" as part of the Bedford West Secondary Planning Strategy.

Owner

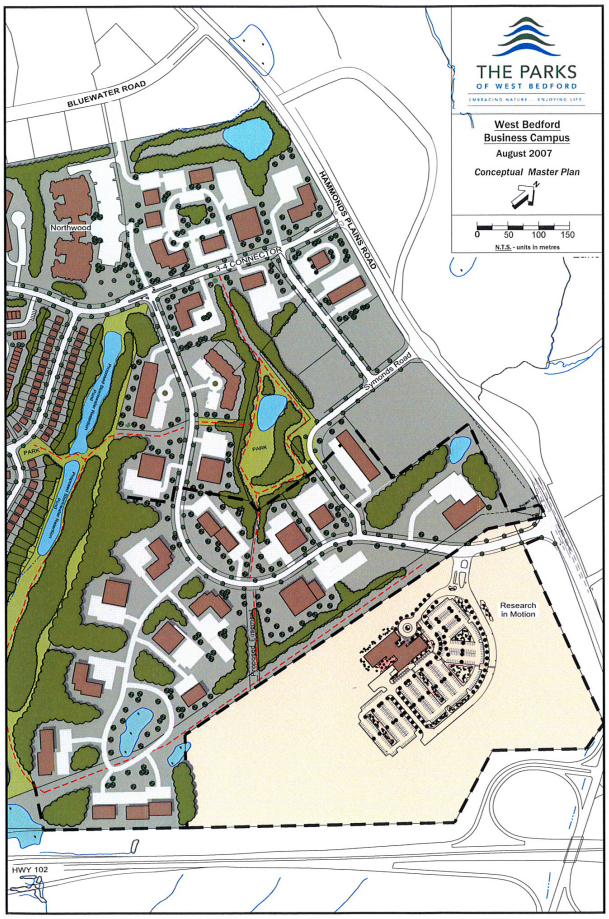
- Research in Motion (RIM) is developing a customer support center on 48 acres adjacent to the east end of Bedford West's holdings.
- Another 112 acres is owned by Bedford West Holdings Ltd.

Status

- In 2006, the North West Community council approved the extension of municipal water and sewer to the site to the property.
- RIM is constructing a 7 storey, 150,000 SF office building on its land to accommodate an estimated 1,200 employees.

Marketing Position

- A master planned suburban "green'" business campus with as-of-right development and design guidelines and covenants
- Envisioned as a "work, live, shop and recreate environment"
- Over 25,000 residents are expected to move to Bedford West over the next 25 years. The campus will be an employment node for these residents.



Major Tenants

- Research In Motion

Land Pricing

N/A

Development Area

- Approximately 171 acres is designated as a business campus including the RIM and Bedford West Holdings lands.

Sales Data

N/A

Burnside Industrial Park

- Located in Dartmouth and bounded by Windmill Road, Highway 111, and Burnside Drive.
- Begun in the 1960s

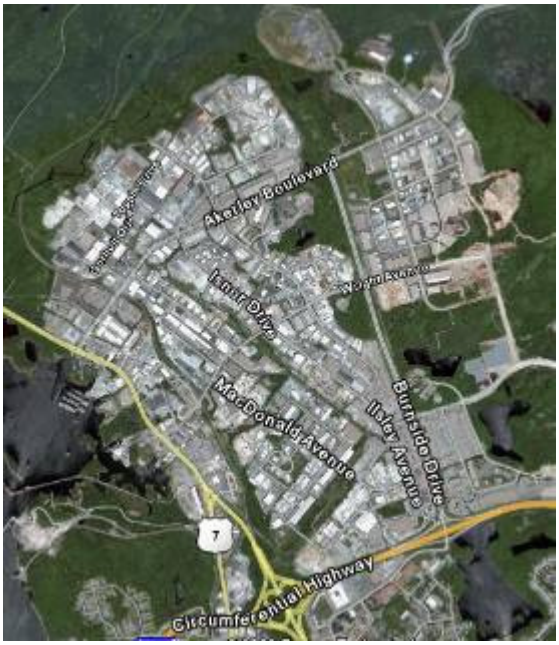
Owner
- Halifax Regional Municipality

Status
- Of the park's approximately 3,400 acres, 631 acres are still available for development.

Marketing Position
- The pre-eminent business park and the only location that many national and international companies will consider in HRM.
- Caters to a variety of users from sectors including office, warehousing, and retail showrooms.
- Over 1,500 businesses and 18,000 employees

Major Tenants include
- IMP
- Xerox
- Toshiba
- Canada Post
- Halifax Daily News
- Superior Propane
- Leons

Land Pricing
- $2.45/sf to $3.74/sf in older sections
- $3.75/sf to $10.00/sf in Phase 12



Gross Acreage	3,400
Serviced Acres Sold	1,088
Serviced Acres Available For Sale	105
Unserviced Acres in Land Reserve	902
Total Net Acres for Future Development	631

Development Area (approximate)

Sales Data
Sales accounted for 79% of total sales revenue of HRM business parks between 1999 and 2008.

1999/00	$3,437,491
2000/01	$2,946,629
2001/02	$2,832,146
2002/03	$346,296
2003/04	$5,026,432
2004/05	$2,704,108
2005/06	$7,426,298
2006/07	$7,691,533
2007/08	$3,668,962
Total Sales	$36,079,895
Average	$4,008,877

City of Lakes Business Park

Located between Burnside Industrial Park and Dartmouth Crossing.

- Created in 1983

Owner

- Halifax Regional Municipality

Marketing Position

- a high profile, prestigious office and business location.

Major Tenants/Buildings

- Xerox
- Terrain Group
- Jacques Whitford Limited
- Ramada Hotel
- Park PlaceRoyal and Sun Alliance
- Cambridge I and II
- Atboro House

Land Pricing

- $5.50 to $6.50 per square foot upgraded

Dartmouth Crossing

- Located adjacent to Burnside Industrial Park & the City of Lakes Office Park, west of Highway 118 and north of the circumferential Highway.
- Opened in 2007

Owner

- North American Development Group

Status

- This property is approximately 511 acres in size, of which approximately 200 acres is slated for retail development.
- By 2009 it is anticipated that the development will contain approximately 2.2 million square feet of retail space, and will be one of the most significant retail locations within HRM.
- Future phases include 15 office buildings and potentially mid- to high-density residential housing.

Marketing Position

- This development is being marketed as a retail lifestyle centre catering to big box retailers, mid sized retailers, fashion retailers, restaurants, and accessory services.
- In the long term, the plan is to create a mixed use community with residential, office, and retail components.

Major Tenants include

- Home Depot
- Wal-Mart
- Canadian Tire
- Best Buy
- Home Outfitters
- Empire Theaters
- The Shops at Dartmouth Crossing

Lakeside Industrial Park

- located west of Bayers Lake Industrial park on St. Margaret's Bay Road.
- Opened in the 1960s by the former Municipality of the County of Halifax.

Owner
- Halifax Regional Municipality

Status
- This park is approximately 115 acres in size and is completely sold out.

Marketing Position
- caters to large wholesale distribution facilities that do not require (or desire) significant automobile traffic.
- Tenants have indicated that they do not want to be connected to Bayers Lake Park. They are concerned about the impact of traffic on their businesses if that connection were made.

Major Tenants
- Coca-Cola
- McKesson
- Loblaw's
- Nova Scotia Power

Land Pricing
- N/A

Development Area

Total Gross Acreage	115
Land Developed and Sold	115
Leased Land	0
Serviced Land Available for Sale	0
Reserve Unserviced Land	0
Total Lands Available	0

Sales Data
- N/A

Ragged Lake Business Park

- located on Prospect Road near Exhibition Park.
- opened in the mid 1980s by the County of Halifax Industrial Commission.

Owner
- Halifax Regional Municipality

Status
- No serviced lots are currently available for sale in this park. There are, however, over 800 acres of undeveloped greenfield.
- At one time the Halifax water supply was located in this area.

Marketing Position
- This park was originally positioned as a suburban office campus.
- With relatively poor access and competition from Burnside the park has never developed to its full potential.

Major Tenants
- Nova Scotia Power

Land Pricing
- N/A

Development Area

Gross Acreage	1,236
Serviced Acres Sold	46
Serviced Acres Available For Sale	7
Unserviced Acres in Land Reserve	1,178
Total Net Acres for Future Development	825

Sales Data
Sales accounted for 1% of total sales revenue of HRM business parks between 1999 and 2008.

1999/00	$0
2000/01	$0
2001/02	$175,313
2002/03	$181,338
2003/04	$0
2004/05	$0
2005/06	$0
2006/07	$0
2007/08	$0
Total Sales	$356,651
Average	$39,628

Atlantic Acres Industrial Park

- Located off Hammonds Plains Road, 1.5Km from exit 3 of Highway 102 near Kearney Lake road.
- Started in 1973.

Owner

- Industrial Estates Limited; operated with funding from the Province of Nova Scotia.

Status

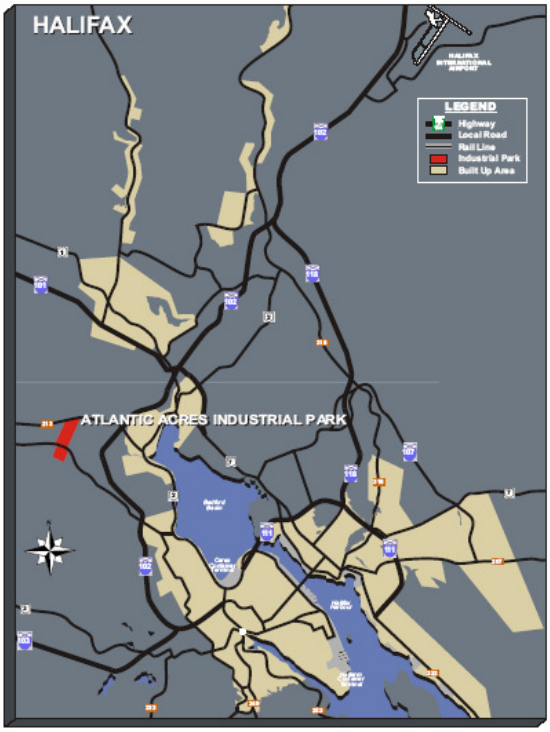
- This park is approximately 122 acres in size. It is completely serviced and built out, with the all lots sold (120.58ac), except 2 lots that have been leased for telecommunication towers (1.52ac).

Marketing Position

- marketing focuses on regional companies who like the central location, and local companies who service the Bedford market.

Major Tenants (More than 5 acres)

- Halifax Herald Limited (20 ac)
- McKenzie Sales (7.60 ac)
- Southwest Properties Limited (7.12 ac)
- Hostess Frito Lay(6.53 ac)
- Government of Canada (5.83 ac)



Source: Target Nova Scotia

Land Pricing

- Base price of $110,000 per acre (2.53/SF)
- Lot prices have sometimes been adjusted for inferior development characteristics.

Development Area

Total Gross Acreage	120.58
Land Developed and Sold	119.06
Leased Land	1.52
Serviced Land Available for Sale	0
Reserve Unserviced Land	0
Total Lands Available	0

Bedford Industrial Park

- Located on Trunk Highway 2 in Bedford, 1km east of Highway 102, Exit 4C.
- Opened in 1972

Owner

- Province of Nova Scotia; administered jointly by the Department of Transportation and Public Works and Nova Scotia Business Inc.

Status

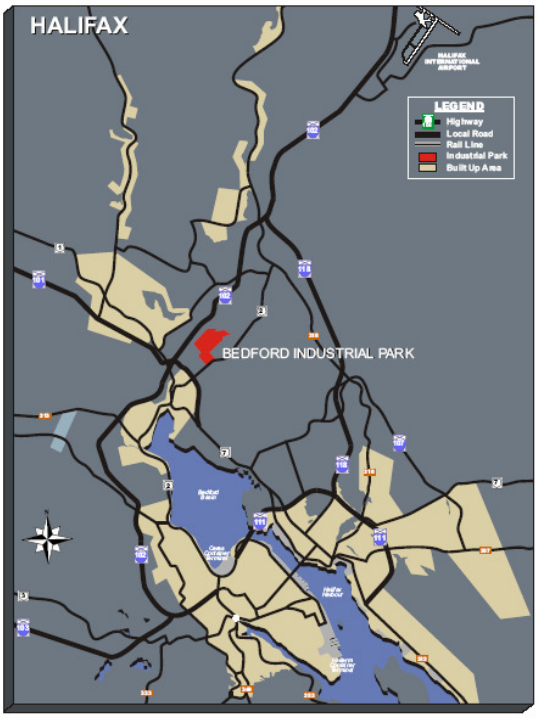
- Fully occupied and serviced.
- All lots are sold with the exception of two lots that are leased (3.93ac).
- CN owned much of this park, but they have recently sold most of their holdings.
- Much of the park is in the process of being transferred to NSDOT to accommodate the planned Highway 107 extension (Burnside to Sackville).
- Approximately 13 acres of privately owned lands adjacent to the park are zoned for industrial use.

Marketing Position

- Rough yard storage and manufacturing.

Major Tenants (More than 5 acres)

- Canadian National Railway (approx. 35 ac)



Source: Target Nova Scotia

Land Pricing

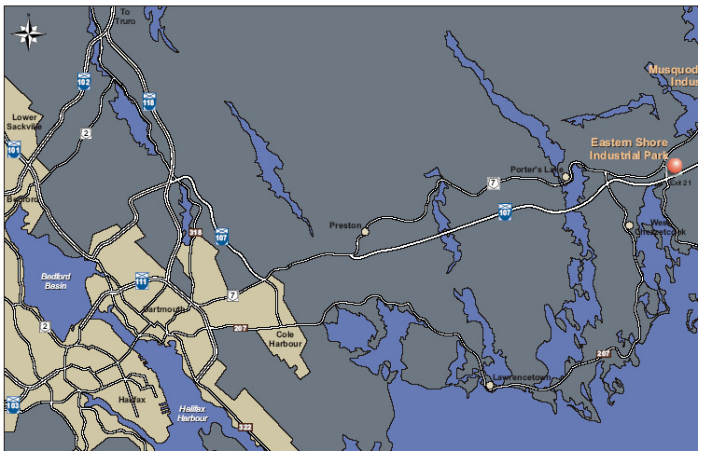
- $60,000 - $70,000 per acre

Development Area

Total Gross Acreage	112.5
Land Developed and Sold	108.57
Land Developed and Leased	3.93
Serviced Land Available for Sale	0
Reserve Unserviced Land	0
Total Lands Available	0

Eastern Shore Industrial Park

- Trunk Highway 7, 40km east of Halifax in the community of West Chezzetcook, NS
- Begun in 1982



Source: Target Nova Scotia

Owner
- Province of Nova Scotia; administered jointly by the Department of Transportation and, Infrastructure Renewal and Nova Scotia Business Inc (NSBI).

Status
- of 126 acres of land, 68 acres of land are serviced, but only 13.5 acres sold to tenants (the remaining 54 acres was allocated for a sewage treatment plant, borrow pits, buffers, easements and roads).
- 57 acres are available for future expansion (a 14 acre borrow pit could be redeveloped)
- upgrades to Motts Drive in the park are required to support further development.
- concerns with the condition of the park's sewage plant
- serviced with an on-site non-potable water system.

Marketing Position
- Marketed to small local companies who wish to construct their own building.

Marketing Position
- Major Tenants (More than 5 acres)
- Sewage Treatment Plant (12.40ac)
- Canflock Building (4.37ac)

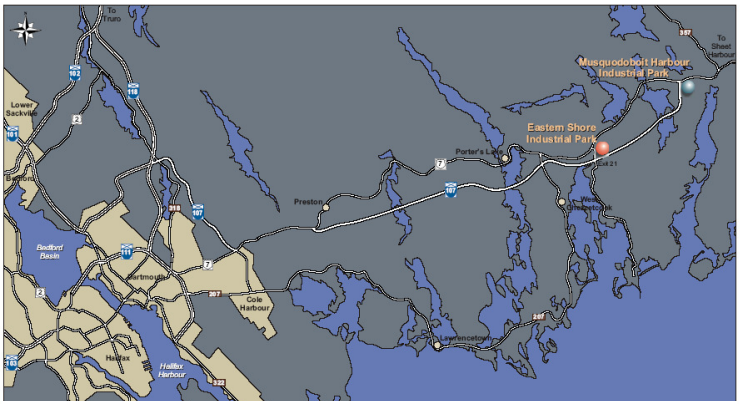
Land Pricing
- $10,000 to $20,000 per acre, depending on servicing requirements.

Development Area

Total Gross Acreage	126.00
Land Developed and Sold	62.91
Land Developed and Leased	0.00
Serviced Land Available for Sale	5.82
Reserve Unserviced Land	57.27
Total Lands Available	63.09

Musquodoboit Harbour Industrial Park

- Located on Trunk Highway 7, 48km east of Halifax
- Opened in 1983



Source: Target Nova Scotia

Owner

- Province of Nova Scotia; administered jointly by the Department of Transportation and Infrastructure Renewal and Nova Scotia Business Inc.
- The Province also owns a 16,000 SFsf industrial mall building, which it is planning to sell shortly.

Status

- This park is approximately 55 acres in size; 32.71 acres of serviced land have been sold, and 22.29 acres are available for future development.
- Privately-owned industrial land next to the park is landlocked.
- Water and sewer are obtained by on-site septic and wells.
- New road infrastructure (extension of Rowlings Ave.) will be required to access the undeveloped land. According to a 2006 report by Halifax Global, this road construction would cost between $500,000 to $740,000 ($19,000 and $28,000 per acre). Extension of existing power lines would be also be required at of cost of approximately $25,000 ($1,000 per acre).

Marketing Position

- Small local companies (with owners in the local area) looking to construct their own building.

Major Tenants

- Smith Ready Mix (5 acres.)
- Taylor Lumber (5 acres.)

Land Pricing

- Lots have historically cost $10,000 to $20,000 per acre depending on servicing requirements.

Development Area

Total Gross Acreage	55.00
Land Developed and Sold	32.71
Land Developed and Leased	0.00
Serviced Land Available for Sale	0.00
Reserve Unserviced Land	22.29
Total Lands Available	22.29

Sackville Business Park

- located north of Sackville Drive, east of Cobequid Road, and west of Highway 102.
- opened November 1981

Owner

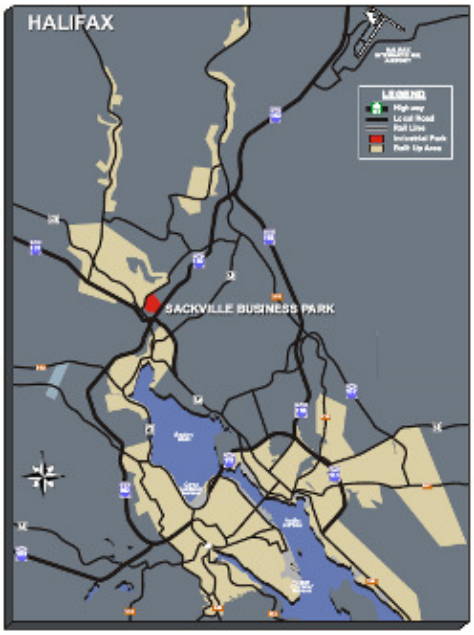
- Province of Nova Scotia; administered jointly by the Department of Transportation and Infrastructure Renewal and Nova Scotia Business Inc.

Status

- Approximately 117.49 acres have been sold in this park; 17.83 acres of serviced land and 95.81 acres of un-serviced land are available.
- The Cobequid Community Health Centre was constructed in the park in 2004/05, on the site of the former correctional facility, which was relocated to Burnside Park.
- JD Irving purchased 29 acres in the park in 2007 for a large warehouse.

Marketing Position

- designed for multi-tenant light industrial activities to service the local area; with improvements in the highway transportation network in this area, the park is now generating more regional appeal.
- well located near Highways 102 and 101
- significant amount of development pressure for retail and commercial uses in the park



Source: Target Nova Scotia

Major Tenants

- Cobequid Community Health Centre
- JD Irving
- Owen Davis Trucking
- Michaela Investments Ltd.
- Metro Self Storage
- Nottston Construction (lessee)
- Nova Scotia Power

Land Pricing

- Base price of $110,000 per acre (2.53/SF) for serviced parcels. This price structure has not changed since 2003.

Development Area

Total Gross Acreage	231.13
Land Developed and Sold	117.49
Land Developed and Leased	0.00
Serviced Land Available for Sale	17.83
Reserve Unserviced Land	95.81
Total Lands Available	113.64

Sheet Harbour Industrial Park

- Trunk Highway 7, 112 Km east of Halifax and 85km south of New Glasgow.
- Started in 1987.

Owner

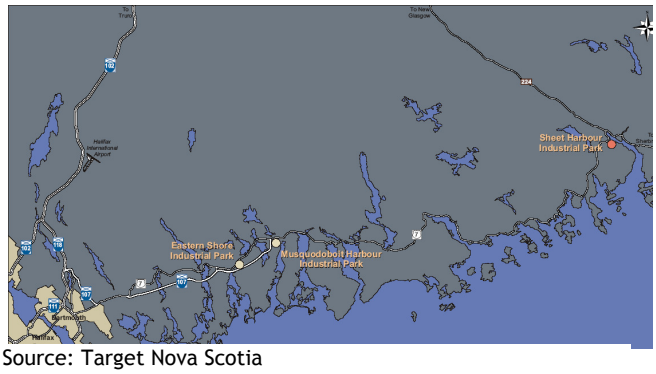
- Province of Nova Scotia; administered jointly by the Department of Transportation and Infrastructure Renewal and Nova Scotia Business Inc. On site management is provided by NSBI through Ship Terminal Operations Incorporated.

Status

- approximately 99 acres plus a 29 acre water lot.
- completely occupied, but 38 acres leased by Shaw and Shaw Ltd. (used for pipe coasting associated with the Deep Panuke project) is expected to be available next year. This property is well suited for marine industrial activities.
- Northern Fibre Terminals Inc. has constructed a Woodchip Manufacturing Facility and Loading Terminal.
- Acadia Mining is planning to construct a building in this park for shipping aggregate. Improved road access and other infrastructure are required to fully leverage the port.

Marketing Position

- one of the only parks in HRM that has direct deep water harbour access and wharf facilities
- constructed to facilitate the Natural Gas Industry
- appeals to industries requiring direct ocean access



Source: Target Nova Scotia

- good alternative to Halifax for some marine industrial activities, such as exporting of raw commodities (aggregate, minerals, etc.)

Major Tenants (More than 5 acres)

- Northern Fiber Terminals (16.62 acres)
- Shaw and Shaw Ltd. (38 acres)

Land Pricing

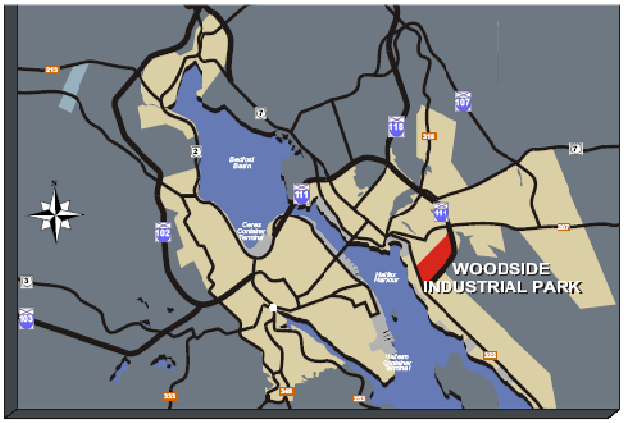
- Historically the price of land in this park ranged from $5,000 to $40,000 per acre.

Development Area

Total Gross Acreage	128.51
Land Developed and Sold	61.01
Land Developed and Leased	38.00
Water Lot	29.50
Serviced Land Available for Sale	0.00
Reserve Unserviced Land	0.00
Total Lands Available	0.00

Woodside Ocean Industries Park

- Pleasant Street near the Circumferential Highway (Route 111)
- Approximately 30 years old



Source: Target Nova Scotia

Owner

- Province of Nova Scotia
- vacant land (Phase III) was recently transferred to InNOVACorp.

Status

- Approximately 27 acres of this park are developed; approximately 127 acres are reserved for future development.

Development Area (acres)

Total Gross Acreage	155.72
Land Developed and Sold	27.90
Land Developed and Leased	0.00
Serviced Land Available for Sale	0.00
Reserve Future Development Land	127.82
Total Lands Available	127.82

Marketing Position

- InNOVACorp's goal is the development of a biosciences park to promote the life sciences sector in Nova Scotia.

Major Tenants

- Argo Protective Coating
- Dartmouth General Hospital
- Dartmouth Police Station
- Halifax Regional Municipality
- Hermes Electronics
- InNOVACorp
- Irving Oil
- Mobil Oil
- Ocean Nutrition Canada
- Spectral Group
- Premium Oil Field Inspection Services Ltd.

Source: Target Nova Scotia

Land Pricing

- Historical base price was approximately $110,000 per acre (2.53/SF), but InNOVACorp indicates that they will sell lots based on market value.

APPENDIX C – LIST OF INDIVIDUALS CONSULTED FOR THIS REPORT

Mr. Thane Stevens, BD Stevens Limited
Mr Luke Eliot, BD Stevens Limited
Mr. Ben McCrea, Amour Group
Mr. John Morehouse, CREIT
Mr. John Dalton, Canada Lands Company
Mr. Ron Pachal, Canada Lands Company
Mr. Glen Munro, Dartmouth Crossing
Mr. Ron Richards, Dartmouth Crossing
Mr. John Heseltine, EDM
Mr. Tom Gerard, Royal LePage Real Estate
Mr. Jerry Staples, Halifax International Airport Authority
Mr. Gary Ruitenburg, BD Stevens Limited
Mr. George Reid, Province of Nova Scotia, Dept of Economic Development
Mr. John Lindsay Jr, Eastport Properties
Mr. Albert Andrews, Eastport Properties
Mr. Andrew Inch, Dexter Construction
Mr. Brad Smith, Greater Halifax Partnership
Mr. Fred Morley, Greater Halifax Partnership
Mr. Kirby Putnam, J.W. Lindsay Enterprises, Ltd.
Mr. Eddie Robar, Metro Transit
Ms. Amy Power, Metro Transit
Mr. Dave Reage, Metro Transit
Mr. Kelvin Sams, Greater Burnside Business Association
Bayers Lake Business Association
Mr. Jerry Staples, Halifax International Airport Authority
Mr. Ken Partridge, Burnside News
Mr. Bryce Schnare, Plaza Group
Mr. Brian Pestle, Bayers Lake Business Association
Mr. Gord Gamble, Bayers Lake Business Association
Mr. Tony Goode, Aerospace and Defence Industry Association of NS
Mr. Allan Dillon, XWave
Mr. John Cody, General Dynamics
Mr. Mike Hanusiack, Clayton Developments
Mr. Peter Greenwood, Clayton Developments
Mr. Robert McNamara, INNOVACorp

Mr. Mike Wile, HRM
Mr. Peter Stickings, HRM
Mr. Roger Wells, HRM
Mr. John MacPherson, HRM
Mr. Jim Donovan, HRM
Mr. Austin French, HRM
Mr. Dave McCusker, HRM
Mr. Paul MacKinnon, Downtown Halifax Business Commission
Mr. Paul Taylor, NS Office of Economic Development

APPENDIX D – REFERENCES

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APPENDIX E – BUSINESS PARKS QUESTIONNAIRE

COLLIERS INTERNATIONAL
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2000 Barrington Street
Halifax, NS
B3J 3K1

902-442-8700 phone

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Business Parks Questionnaire

Contact Information

Name:_____

Organization:_____

Title:_____

Phone:_____

Email:_____

Questions

1. Please indicate which organizations own Business Parks within your municipality (check all that apply).

		# Parks
Municipality	☐	_____
Province	☐	_____
Quasi Government Agency	☐	_____
Private Sector	☐	_____
Other_____	☐	_____

Comments_____
_____
_____
_____
_____

2. If Business Parks are municipally owned, how is new park infrastructure funded (please check all that apply)?

Pay as you go	☐
Debt financing	☐
Grants/Subsidies	☐
Private Sector	☐
Other_____	☐

Comments_____
_____

_____
_____
_____

3. Is the land within Business Parks subsidised for economic development purposes? If so, how much subsidy is provided? Are certain economic sectors targeted?

_____ No _____ Yes

Comments_____
_____
_____
_____
_____

4. Is there a land banking program in place for Business Park expansion (i.e., is land set aside for future development)? If so, how much money or land has been set aside?

_____ No _____ Yes

Comments_____
_____
_____
_____
_____

5. If the business parks are municipally owned who is responsible for marketing (please check all that apply)? How are these activities coordinated?

Municipality ☐
Province ☐
Quasi Government Agency ☐
Private Sector ☐
Other_____ ☐

Comments_____
_____
_____
_____
_____

6. If parks are municipally owned, is land sold serviced (water, sewer, grading, etc.) or un-serviced (raw parcels)?

   ☐ Serviced
   ☐ Un-serviced
   ☐ Both
   ☐ Other

   Comments_____
   _____
   _____
   _____
   _____

7. How is land use regulated within the Industrial/Business Parks (please check all that apply)? If "other" is selected please explain.

Zoning	☐	
Development Agreement	☐	
Purchase and Sale Agreement	☐	
Restrictive Covenants	☐	
Provision of Infrastructure	☐	
Other	☐	_____

   Comments_____
   _____
   _____
   _____
   _____

8. Are lands allocated for specific uses such as heavy industrial, transportation and distribution, and/or retail?

   _____ Yes _____ No

   Comments_____
   _____
   _____

_____
_____

9. If zoning is used, what generalized land use categories are applied to Business Parks (check all that apply)?

Land Use	
Light Industrial	☐
Heavy Industrial	☐
Office	☐
Retail	☐
Residential	☐
Recreational	☐
Mixed use	☐
Other_____	☐

Comments_____
_____
_____
_____
_____

10. Are height restrictions imposed in suburban Office Parks?
_____ Yes _____ No

Comments_____
_____
_____
_____
_____

11. Are residential uses permitted in any of the Business Parks? If so, how are land use incompatibility issues addressed?
_____ Yes _____ No

Comments_____
_____
_____

_____
_____

12. Are retail uses permitted in any of the business/industrial parks?
    _____ Yes _____ No

    Comments_____
    _____
    _____
    _____
    _____

13. Are dedicated parks established for heavy industrial uses or obnoxious uses (e.g., compost, etc.)?
    _____ Yes _____ No

    Comments_____
    _____
    _____
    _____
    _____

14. Is there a business park or industrial land development strategy in place? If yes, how often is the strategy updated?
    _____ No _____ Yes Updated every _____ Years

    Comments_____
    _____
    _____
    _____
    _____

15. Does the Municipal Planning Strategy (MPS) include policies aiming to cluster suburban office development in specific areas?
    _____ Yes _____ No

Comments_____
_____
_____
_____
_____

16. What are the top four real estate market trends (i.e., development activity) currently occurring in industrial/business parks within your community?

1 _____
2 _____
3 _____
4 _____

17. What are the most significant land use issues within Business Parks in your community? Please rank them from 1 (being the most significant) to 10 (being the least significant). Please describe any other applicable issues.

	Ranking		
Incompatible Land Use	_____		
Public Transportation	_____		
Road Infrastructure and Traffic	_____		
Provision of Infrastructure	_____		
Environmental Conservation	_____		
Parking	_____		
Infrastructure Funding & Deficiencies	_____		
Erosion of Industrial Land for Other Uses	_____		
Pedestrian Amenities	_____		
Other	_____	Description	_____
Other	_____	Description	_____
Other	_____	Description	_____

Comments_____
_____
_____
_____
_____

18. How is the business park owner addressing the major issues listed in the previous question? How successful have these approaches been?
_____
_____
_____

_____
_____
_____
_____
_____
_____
_____
_____

1. Do you have a Business Association that is active in the on-going management of any of your business and or industrial parks? What issues does the business association typically address?

_____ Yes _____ No

Comments_____
_____
_____
_____
_____

THANK YOU

Please submit your completed survey by fax to (902)-442-8710.
Any questions can be directed to 902-442-8706 or
Kate.Thompson@colliers.com

Business Park Questionnaire Results

1. Please indicate which organizations own Business Parks within your municipality (check all that apply).

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Municipality	**3**		**6**	**7**	**4**		**1**	**1**	**1**
Province									
Quasi Gov't Agency									
Private Sector	**1**	**X**	**1**	**4**	**1 under devel-opment**	**all**	**1**	**1**	**5**
Other_____			**1 federal**						

Saint John's: O'Leary industrial park was originally developed by the NFL housing corporation (provincial crown corporation) in the 60s and 70s
Ottawa: the above is only urban parks – the rural area has another 16 parks, all private
London: most privately-owned business parks in the City of London are located adjacent to municipally-owned business parks. The City of London oversizes sewer and water pipes and upgrades road infrastructure in the area of municipal business parks so that the private community can benefit from this enhanced infrastructure system.
Kitchener: the private sector (above) has just purchased 100 acres from former tire plant and is turning it into business park.
Abbotsford: number of industrial areas. No business parks per se.

2. If Business Parks are municipally owned, how is new park infrastructure funded (please check all that apply)?

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Pay as you go			X						
Debt financing				X	X		X	X	X
Grants/Subsidies	X			X					
Private Sector									
Other_____	X					n/a			

Saint John: funded by city, internally generated funds, creative deals (land exchange for work in kind)
London: four of the seven municipally-owned business parks have benefited from Province of Ontario "Superbuild" infrastructure program funding, which helps offset the cost of enhanced sewer, water, and road construction within the park. All other design & construction costs, including the cost of purchasing the raw land, are funded by debt financing.
Kitchener: the city has chosen to no longer develop business parks
Winnipeg: Funds used from Real Estate Sales Reserve Account

3. Is the land within Business Parks subsidised for economic development purposes? If so, how much subsidy is provided? Are certain economic sectors targeted?

NO: Saint John, St. John's, Ottawa, London, Kitchener, Abbotsford, Guelph, Barrie, Winnipeg

Ottawa: provincial legislation does not allow subsidies
Winnipeg: In some instances, parcels with the city-owned park may be used as incentive for economic development i.e. price reduction

4. Is there a land banking program in place for Business Park expansion (i.e., is land set aside for future development)? If so, how much money or land has been set aside?
NO: Saint John, St. John's, Ottawa, Kitchener, Abbotsford, Guelph, Barrie, Winnipeg YES: London

London: as part of the City of London "Industrial Land Development Strategy", land is banked on a regular basis for future industrial park purposes. Each year, $800,000 is sought for budget approval to be spent on acquisition of new land for future development.

5. If the business parks are municipally owned who is responsible for marketing (please check all that apply)? How are these activities coordinated?

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Municipality			X	X	X		X	X	X
Province									
Quasi Gov't Agency									
Private Sector									
Other_____				X		n/a			

Saint John: SJIPL markets itelf (**www.saintjohnindustrial.ca**)
Ottawa: sales are through real estate branch
London: the City of London, along with London Economic Development Corporation, a public/privately-owned company, both are responsible for the marketing of municipal business parks.
Barrie: through economic development department

6. If parks are municipally owned, is land sold serviced (water, sewer, grading, etc.) or un-serviced (raw parcels)?

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Serviced	X			X	X		X	X	X
Un-serviced	X								
Both			X						
Other						**n/a**			

Saint John: both depending on client's needs
London: municipally-owned industrial parks are sold serviced (water, sewer, and rough grading), but removal of topsoil is the responsibility of the purchaser.

7. How is land use regulated within the Industrial/Business Parks (please check all that apply)? If "other" is selected please explain.

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Zoning	X	X	X	X	X	X	X	X	X
Development Agreement				X	X			X	
Purchase and Sale Agreement	X			X	X		X		X
Restrictive Covenants	X			X	X		X		
Provision of Infrastructure									
Other						**Develop-ment permit**			

8. Are lands allocated for specific uses such as heavy industrial, transportation and distribution, and/or retail?
   YES: Saint John, Ottawa, London, Kitchener
   NO: St. John's, Abbotsford, Guelph, Barrie, Winnipeg

   Ottawa: done through zoning
   London: only one municipal business park is zoned specifically for general and heavy industrial uses. The remainder are zoned to permit light industrial manufacturing and warehouse/distribution uses. Retail uses are not permitted in municipal business parks as a stand-alone use, but are permitted to occupy 25% of an industrial facility as an ancillary use to the main permitted industrial use.
   Abbotsford: zoning regulates. Various industrial zones
   Winnipeg: regulated by zoning

9. If zoning is used, what generalized land use categories are applied to Business Parks (check all that apply)?

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Light Industrial	X	X	X	X	X	X	X	X	X
Heavy Industrial	X		X	X	X	X		X	
Office		X	X				X	X	
Retail		X							
Residential									
Recreational									
Mixed use							X		
Other_____						**IB1 zone**			

   Saint John: others are N/A – SJIPL is industrial
   Ottawa: generally retail not permitted, except convenience retail. Residential is permitted in rare situations.
   Abbotsford: excerpt of zoning by-law attached

10. Are height restrictions imposed in suburban Office Parks?
    YES: St. John's, Ottawa, London, Abbotsford, Barrie NO: Kitchener, Guelph

    Saint John: n/a industrial parks; sideyard setbacks are impacted
    St. John's: generally, 15 m is the height limit
    Ottawa: zoning regulates height
    London: a maximum height of 12 metres (39.4 feet) is permitted in suburban office parks
    Abbotsford: see zoning by-law excerpts
    Winnipeg: not applicable

11. Are residential uses permitted in any of the Business Parks? If so, how are land use incompatibility issues addressed?
    YES: Ottawa, Abbotsford
    NO: Saint John, St. John's, London, Kitchener, Guelph, Barrie, Winnipeg

    Ottawa: in a few areas higher density residential is permitted. All these areas are dominated by offices, so there is minimal conflict.
    Abbotsford: only as accessory "caretaker" use

12. Are retail uses permitted in any of the business/industrial parks?
    YES: Saint John, St. John's. London, Kitchener, Abbotsford, Guelph, Barrie, Winnipeg
    NO: Ottawa

    Ottawa: except ancillary retail
    London: stand-alone retail uses are not permitted in business/industrial parks; however, retail uses are permitted as an accessory use to a main permitted industrial use, up to a maximum of 25% of overall building size.
    Kitchener: 25% of gross floor area
    Abbotsford: limited retail use permitted
    Barrie: as a % of GFA with limitations based on zoning by-law as accessory use only
    Winnipeg: Retail uses are permitted as per zoning or if amendment to by-law granted.

13. Are dedicated parks established for heavy industrial uses or obnoxious uses (e.g., compost, etc.)?
    YES: Saint John, Ottawa, London, Barrie

NO: St. John's, Kitchener, Abbotsford, Guelph, Winnipeg

Saint John: rough yard areas for C+D, asphalt uses etc.
St. John's: no industrial parks are so dedicated
Ottawa: a few acres zoned for heavy industry
London: The municipality has one general/heavy industrial park to accommodate facilities involved in raw material processing. Obnoxious uses are controlled by the Ministry of Environment, and may be permitted in a municipal park if a "Certificate of Approval" is obtained to control the obnoxious substance.

14. Is there a business park or industrial land development strategy in place? If yes, how often is the strategy updated?
YES: Saint John, London
NO: St. John's, Kitchener, Barrie, Abbotsford
Under development: Ottawa, Winnipeg

Saint John: updated every 5 years
Ottawa: we are working on one now, not completed
London: updated every 10 years; The City's "Industrial Land Development Strategy" is monitored on an annual basis to ensure that the municipality is meeting demand and maintain target inventories. The strategy is updated every 10 years to ensure continuity with current and future industrial trends.
Abbotsford: land use is controlled by the official community plan (OCP) updated every 5 years
Winnipeg: Currently being developed. Draft completed and policy to be included in overall development plan (Plan Winnipeg).

15. Does the Municipal Planning Strategy (MPS) include policies aiming to cluster suburban office development in specific areas?
YES: Ottawa, London, Kitchener, Barrie, Winnipeg
NO: St. John's, Abbotsford, Guelph

Ottawa: some areas are zoned for business park (offices)
London: The City of London has an "Office Business Zone" situated along a major arterial road in close proximity to Highway 401 to accommodate head office-type uses.

16. What are the top four real estate market trends (i.e., development activity) currently occurring in industrial/business parks within your community?

    Saint John: service to big industry; transportation; metal fabrication
    Ottawa: shift to high density office uses; pressure for big box retail; pressure for conversion to residential uses; market segregation – some areas very popular, some no–one will touch
    London: auto parts manufacturing; agrifood manufacturing; building materials manufacturing; warehouse/distribution fulfillment centres
    Kitchener: logistics, manufacturing – supplier network
    Abbotsford: multi-bay strata industrial buildings; airport related industry
    Guelph: mix of traditional industrial uses with non-industrial uses; less manufacturing and more office, R + D; increased warehouse/distribution facilities; higher selling prices
    Barrie: small industrial multis (condo or lease); more interest in purchase vs. lease; 1 – 3 acre parcels; or very large parcels
    Winnipeg: higher end parks with attractive buildings and landscaping; other amenities being included for employees e.g., day care, fitness centre; lease back/build to suit; high cube construction (higher ceilings).

17. What are the most significant land use issues within Business Parks in your community? Please rank them from 1 (being the most significant) to 10 (being the least significant). Please describe any other applicable issues.

	Saint John	St. John's	Ottawa	London	Kitchener	Abbotsford	Guelph	Barrie	Winnipeg
Incompatible Land Use	8			1	2		6	1	
Public Transportation	5		5	4	1	2	8	10	3
Road Infrastructure and Traffic	4		4	2	10		1	10	1
Provision of Infrastructure	1		2	3	7	4	3	10	2
Environmental Conservation	3			6	8		4	10	
Parking	6			5	9	3	7	10	
Infrastructure Funding & Deficiencies	2		3	9	6		2	10	
Erosion of Industrial Land for Other Uses	9		1	7	5	1	5	10	
Pedestrian Amenities	7			8	4		9	10	4

18. How is the business park owner addressing the major issues listed in the previous question? How successful have these approaches been?

    Saint John: not enough space!
    Ottawa: there are many answers – too difficult to answer
    London: a set of "Architectural Design Guidelines" have been created to regulate the form and function of development in new business parks. The guidelines dictate a consistent building design and setback throughout the park, and suggest many upgrades to traffic flow, pedestrian safety, environmental measures, and use of park storm water management facilities as a scenic amenity for park employees. These guidelines are closely monitored throughout the building permit process and are registered on title as a building covenant.
    Guelph: (infrastructure) through use of applicable development charge
    Barrie: (incompatibilities) the municipal business park has been zoned for higher end industrial/office development and the current strategy is to attract those users to the remaining sites. Retail uses have been removed from the by-law.
    Winnipeg: developers are addressing infrastructure in the planning of the park. Design controls are used to maximize value.

19. Do you have a Business Association that is active in the on-going management of any of your business and or industrial parks? What issues does the business association typically address?

    YES: Saint John
    NO: St. John's, Ottawa, London, Kitchener, Abbotsford, Guelph, Barrie, Winnipeg

    Saint John: we may establish one at some point in future; bigger issues today

APPENDIX F – STAKEHOLDER CONSULTATIONS

Presentation by GBBA to HRM Staff and Councillors – Feb 13/08

At the presentation on Feb 13th by the GBBA to HRM Council members, each of the GBBA's sub-committee chairs gave an overview of the issues identified by their committees and the action they were requesting from HRM:

Infrastructure Committee

- Park infrastructure includes transportation, land availability, IT, energy, recreation
- Burnside needs to exceed infrastructure standards of other parks
- Designate land use: one designation is not sufficient

Road Transportation Committee

- Issues with truck movements and traffic

Energy and Environment

- Burnside should be lean, green, efficient industrial park
- Environmental Goals and Sustainable Prosperity Act
  1. incentives for LEED
  2. reduce GHGs: improve public transit; introduce free bus (like downtown)
  3. reduce red tape for renewable energy
  4. reduce solid waste (e.g., used item exchange)
- greening Burnside: green spaces, foot paths; alleviate traffic; improve zoning
- bus and sidewalk improvements
- support AT

Meeting Between the Consultants and the GBBA Executive – Feb 19/08

The consultants met with members of the GBBA Board to present an overview of the Functional Plan, and to explore with the Board in more detail the issues that had been related to councillors previously. The discussion was based around a written summary of the issues that the GBBA had compiled and circulated to its members and to councillors. The following table summarizes the issues and solutions for future development in Greater Burnside, as articulated by the GBBA.

Table 3.1 Greater Burnside Business Association Concerns: February 2008

Infrastructure

Identify Infrastructure Issues

Include Infrastructure Issues as part of the *HRM Business Parks Functional Plan*

- consider more than road, sewer and water: use a checklist including energy, IT, public transit, AT
- set overall goals (performance standards)
- understand energy generation alternatives and their implications (noise, sustainability, reliability)

Build Burnside Better

Build Burnside Better so that its position as the best Business Park in Eastern Canada is re-established

- ensure Burnside can provide a competitive advantage
- don't favour certain customers
- better planning; better integration of HRM, NS, feds
- coordination of decisions
- ensure balanced stakeholder representation
- consider pedestrian orientation and quality of life issues
- ISO, LEED

Road Transportation

Find short term solutions to improve current traffic patterns within Burnside to alleviate bottlenecks

Undertake a review of current truck traffic patterns & issues throughout Burnside and identify short term remedial solutions

- introduce traffic modelling (currently none)

Include short term solutions in 2009 HRM Budget

Implement Solutions

Find long term solutions to improve current traffic patterns both within and External to Burnside to alleviate delays in the delivery of Goods and Services to HRM

Meet with key individuals from the Transportation and Services Industries in Burnside to discuss areas of concern

- trucking and distribution

Review internal trucking issues throughout Burnside. Identify longer term remedial solutions

- HRM needs weigh scales - part of plan
- turning radii

Work with HRM, the Province, and the Bridge Commission on external issues that impact Burnside. Establish a plan & budget for resolution

- issues: wind events; bridge at capacity; 111 to Victoria Rd. extension; need staircases within the park; light rail within the park

Develop a schedule and undertake construction to fix the problems

Table 3.1 (cont). Greater Burnside Business Association Concerns: February 2008

Environment and Energy

Promote the construction of LEED certified and energy efficient buildings

Host a mini environmental expo in Burnside Business Park endorsed by HRM
- business condos

Build buildings better. Set tougher building standards and formally recognize the need for LEED certified buildings by offering tax rebates and other incentives to property developers
- separate HRM energy building code

Advocate for improved public transportation in Burnside

Encourage regular updates from Metro Transit on route improvements and long term strategies
- other models (e.g., public/private or private bus service in the park)
- Metro transit will not allow other carriers (e.g., limousines) to use their terminals

Undertake a review of the carbon footprint of Burnside Business Park and outline the best initiatives to reduce

Promote energy self-sufficiency in the Park through advocacy for alternative energy sources, cogeneration and the use of the cleanest non-renewable fuels

Offer a free shuttle bus in Burnside sponsored by local businesses. Fuel bus by compressed natural gas (CNG), biodiesel or hydrogen fuel-cells

Work with HRM to pass timely and relevant information on energy options onto businesses in Burnside

Improve access to environmentally friendly energy sources. Alleviate the red tape
- Heritage Gas servicing problem (red tape). HRM charges a fee to set up gas lines in winter; temporary paving; re-pave

Litter clean up and proper waste disposal in the park

Annual "HRM 20-Minute makeover" litter cleanup

Increased enforcement of the solid waste bylaw with businesses (composting)
- businesses to participate in solid waste programs (composting, recycling)

Support and promote a materials exchange program to divert useful byproducts from the landfill

Buses, Bikes and Carpools

Construction of Highfield Park pedestrian bridge

Meet with key individuals from the Transportation and Services Industries in Burnside to discuss this area of concern
- communications
- construct the pedestrian bridge

Encourage motorists to go idle-free in Burnside

Establish a plan and budget for resolution

Increase promotion of HRM's "Ladies and Gentlemen Stop Your Engines" Program in the Park

Improve accommodations for public transportation

Erect idle-free signs at Park entrances

Establish Burnside as a national example of an idle-free business park

Meet with key Metro Transit and HRM representatives to talk about bus route expansions and route additions

Identify short term route solutions to increase busing options for Burnside commuters

Implement long term shuttle and feeder bus system for Burnside
- private sector? GBBA has presented a plan; Metro Transit has a plan for this

Improve active transportation options for Burnside

Construct sidewalks on major roadways such as Akerley Blvd and Burnside Drive

Host a bike safety day in the Park with endorsement by HRM, to encourage community outreach in the Park.

Encourage Metro Transit to invest in buses with bike racks that would frequent the Park

Incorporate bike lanes into newly constructed areas of the park

Governance and Communication

- maintenance and upgrading
- how to pay for from tax revenues
- business organization to oversee parks (like an industrial commission)
- need to keep HRM accountable
- GBBA would like more funding
- Greater Burnside needs its own voice
- need to know who to talk to in HRM (one contact); to give feedback on decisions concerning Burnside
- each park wants its own community

Burnside Stakeholder Workshop – Feb. 27/08

A stakeholder workshop was held from 12 p.m. to 2 p.m. at the Ramada Plaza Park Place Hotel, in Burnside, with approximately 25 participants (including 25 stakeholders, three councillors, four members of the Steering Committee) and six members of the consulting team. Invitees included developers/owners, contractors, architects and engineers, real estate brokers, park tenants, and representatives of the parks associations.

The purpose of the meeting was to introduce the Functional Plan project and issues related to business parks in HRM, to encourage discussion and solicit feedback on identified issues, and to identify solutions for future development and sustainability.

The consultants introduced the goals of the functional plan and the scope of the study, as well as categories of major issues. Participants proceeded to identify additional issues. Participants broke into four round table groups to discuss and detail each issue category, and to brainstorm solutions to guide future development direction. Each table was provided with maps of Burnside and surrounding area. To conclude, each working group presented their findings to the larger group.

Results

The issue categories presented by the consultants were:

- Zoning and Land Use Control
- Site Development Standards
- Transportation (Roads, Public Transit, Sidewalks)
- Park Infrastructure Standards
- Park Governance

Participants chose to discuss four slightly different issue categories. The following summarizes their discussion:

<u>Group 1</u>

Topic: HRM's role in future supply of business park land and link to economic development

- HRM has a significant development role to play in the industrial sector
- HRM should decrease its activity in office development
- The private sector should handle retail and residential development
- HRM should be active in land banking for Business Park Expansion
- HRM should offer large parcels of land for sale
- A two to three year inventory should be maintained

- Office parks need to be sustained and added to, particularly City of Lakes
- HRM should look long term

Group 2

Topic: Zoning and site development standards

- The zoning should be updated to keep pace with market changes
- Is there a place for restrictive covenants? If so, they need to be reviewed and updated
- Site development standards should be incorporated in zoning
- Tiered zoning would provide for sensitivity to adjacent private lands
- Negotiation should be open, where possible
- Focus should be placed on industrial and office uses
- Office areas should have a clear identity: use design standards
- Clearly define City of Lakes

Group 3

Topic: Transportation

- need for better public transportation: workers cannot get into the park
- Metro transit needs central terminal with independent shuttle service
- Metro transit needs to understand ridership levels
- need sidewalks on roads to bus stops (e.g., Wright Avenue)
- need car pooling, and a pedway over the highway to connect Highfield Park
- bike trails should be incorporated in future plans
- turning radii on street corners are too tight
- weigh station should be relocated to major thoroughfare
- road construction should be limited to evenings and weekends
- traffic flow issues could be solved with: advanced green left turns; Burnside-Sackville extension; zoned area for trucking; considering better future locations of Tim Hortons and other drive throughs
- promote an idle-free Burnside

Group 4

Topic: Governance

- there is no opportunity now for public consultation in development process
- a park commission (property owners, GBBA, and council members) should advise council and ensure that land use by-laws and policy are followed
- land sales arm of HRM should be independent of land use regulation
- need to track land availability and sales

- minimum land price should be the cost of servicing
- lots should be offered for auction

Bayers Lake Business Association – Feb 4

The consulting team met with the Bayers Lake Business Association to obtain a clear understanding of the issues that users of the park feel are the most significant. Representatives indicated that there are a number of issues in the developed portions of the park that need to be addressed. Most of these issues are due to infrastructure deficiencies, the result of the park's beginnings as a traditional industrial park. No one envisioned that it would become a regional retail destination, and in turn infrastructure was not put into place to support this use. The following issues were raised by the association:

1. Poor physical connectivity with neighbouring residential neighbourhoods makes it difficult for pedestrians to get to the park. Many pedestrians have resorted to crossing the bicentennial highway, which poses a significant safety risk.
2. Insufficient road infrastructure and limited access into the park has created significant traffic congestion particularly near the Lacewood Drive entrance to the park.
3. The excessive use of medians in the park makes it very difficult to navigate the park, forcing drivers to regularly perform u-turns. This is particularly problematic for trucks.
4. Some concern was also raised regarding communication with users of the park and HRM regarding development proposals in the park, as well as future expansion, and overall long term vision.
5. Concern was expressed by the committee regarding the proposed expansion of the park westward (behind Kent). First, it is felt that an open tender call should be used to develop these lands to ensure that the Park is obtaining the maximum benefit from the expansion. Second, there was also some concern raised that it may be difficult for small businesses to obtain parcels in the expansion if it is sold in bulk.

The following solutions were put forward:

- Creating an additional access point to the park to help address traffic congestion is seen as a priority, particularly as the extension of Regency Park Drive will establish additional residential development in the area. If it is not possible to construct an additional highway interchange, it was suggested that perhaps a service road could be constructed from Washmill

extension to Regency Park Drive to take truck traffic off the main thoroughfares.

- Pedestrian infrastructure such as sidewalks needs to be installed. The new proposed sidewalk on the eastern side of Chain Lake Drive is a step in the right direction.
- More bus pull-off areas are required so that they do not continue to impede traffic flow.
- The timing of traffic lights needs to be better coordinated between the provincial interchanges and HRM-controlled intersections.

APPENDIX G – INDUSTRIAL SUITABILITY MAPS

Existing Business Parks
Industrial Limitations
Industrial Suitability
Business Park Land Suitability