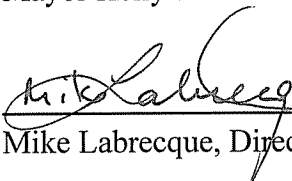


Halifax Regional Council
June 11 2002

TO: Mayor Kelly and Members of Halifax Regional Council

SUBMITTED BY: 
Mike Labrecque, Director, Real Property Services

DATE: May 14, 2002

SUBJECT: **Bayers Lake Business Park and Burnside Business Park: Expansion and Infrastructure Upgrades**

INFORMATION REPORT

ORIGIN

Councillors Whalen and Smith, at separate meetings of Council, requested staff reports on the Bayers Lake Business Park and the Burnside Business Park. The text of the three motions approved by Council are as follows:

October 23/01 - Item 11.3.2(i) - Financial History Bayers Lake Industrial Park

“Moved by Councillor Whalen, seconded by Councillor Walker, that a staff report be provided which would include: 1) a cumulative financial picture which would show the full revenue from the business park over the last ten years, 2) identify an acceptable level of infrastructure which urban parks should have, 3) the standards for business parks, 4) the extent to which the Bayers Lake Industrial Park is currently deficient in dollar terms and 5) priorities in those deficiencies and how HRM could address them over a number of years.” Councillor Hetherington requested the report include the revenue that was obtained from the sale of land over the last ten years. Motion put and passed unanimously.”

October 23/01 - Item 11.3.2 (ii) - Business Parks Expansion Reserve

“Moved by Councillor Whalen, seconded by Councillor Walker, that a staff report be requested from Financial Services regarding the rules governing the Business Parks Expansion Reserve and whether or not it is serving the needs of the Municipality and why it does not relate to previously developed parts of the park. Motion put and passed unanimously.”

November 6/01 - Item 13.1 - Financial History of Burnside Industrial Park

“Moved by Councillor Smith, seconded by Councillor Cunningham, that a staff report be requested ~~outlining the financial history of the Burnside Industrial Park using the same criteria that was in place for the motion recently adopted regarding the Bayers Lake Business Park.~~ Motion put and passed unanimously.”

BACKGROUND/DISCUSSION

As these matters are interrelated it was decided to prepare the response to the three motions in a single report. The data for this report has been drawn from research that has been done for preparation of an **HRM Business Parks Expansion Strategy**. It is anticipated that the Strategy will be tabled with Council in the next two to three months. The Strategy will provide an overall analysis of the potential demand for ‘serviced/market ready’ business park lots for the balance of the decade; an analysis of the sectors of the economy that are expected to generate the demand; and an analysis of the competitive capability of the twelve business parks located within HRM to respond to market demand and recommendations for business parks expansion. With the tabling of the strategy with Council, staff will recommend that a public review process be initiated to solicit comment on the findings, conclusions and recommendations set out in the strategy.

However, sufficient work has been done to date to clearly indicate that the Bayers Lake and Burnside Parks will continue to be the preferred locations for business expansion and relocations. Moreover, at current land selling prices within Burnside and with supportable price increases in the Bayers Lake Park, these two parks can be expanded with land development, marketing and sales costs to be fully recovered from land sales.

The fourteen tables referred to in this report are presented in numerical sequence in Attachment “A”.

1. LAND SALES AND GROSS SALES REVENUE

Comprehensive land sales information for each of the two parks is available for the fifteen years (1986 to fiscal 2001-02) as set out below in Tables 1 to 5.

1.1 Bayers Lake Business Park

Bayers Lake Business Park commenced operations in the mid-1980's with the first lot being sold in 1986. In the past fifteen years to the period ending March 31, 2001 a total of 76 purchase and sale agreements were completed with 279 acres being sold, resulting in \$13.7 million in land sales revenue. Year by year statistics are set out in Table 1. Since amalgamation the Bayers Lake Business Park has accounted for 19% of the total land sales revenue generated from the twelve business parks located in HRM (see Table 3). During the same period the Park accounted for 26% of the total volume of lands sold in the twelve parks (see Table 4).

For the fiscal year 2001-02 the Bayers Lake Business Park contributed an estimated \$6.3 million in non residential property and business occupancy taxes. This represents 21% of the total of \$30.4 million in property and business occupancy taxes generated by the Municipality's twelve business

parks.

1.2 Burnside Park

Since the establishment of the first industrial park in the mid-1960's \$93.6 million in land sales revenue has been generated in the twelve parks located within HRM. As detailed in Table 2, the Burnside Park including the industrial park area and the office park area (City of Lakes Business Park) has generated \$54.6 million in land sales revenue. This represents 58.3% of total land sales revenue since business and industrial parks were established in the area in the 1960's. During the first five years of amalgamation Burnside Park land sales revenue of \$8.2 million represented 53% of the total of \$15.3 million in revenue generated in all twelve parks. The Burnside Park also accounted for 64% of the total of 255 acres sold in the twelve parks during this same time frame.

For the fiscal year 2001-02 the Burnside Park contributed \$18.9 million in nonresidential property and business occupancy taxes. This represents 62% of the total of \$30.4 million in property and business occupancy taxes generated by the Municipality's twelve business parks.

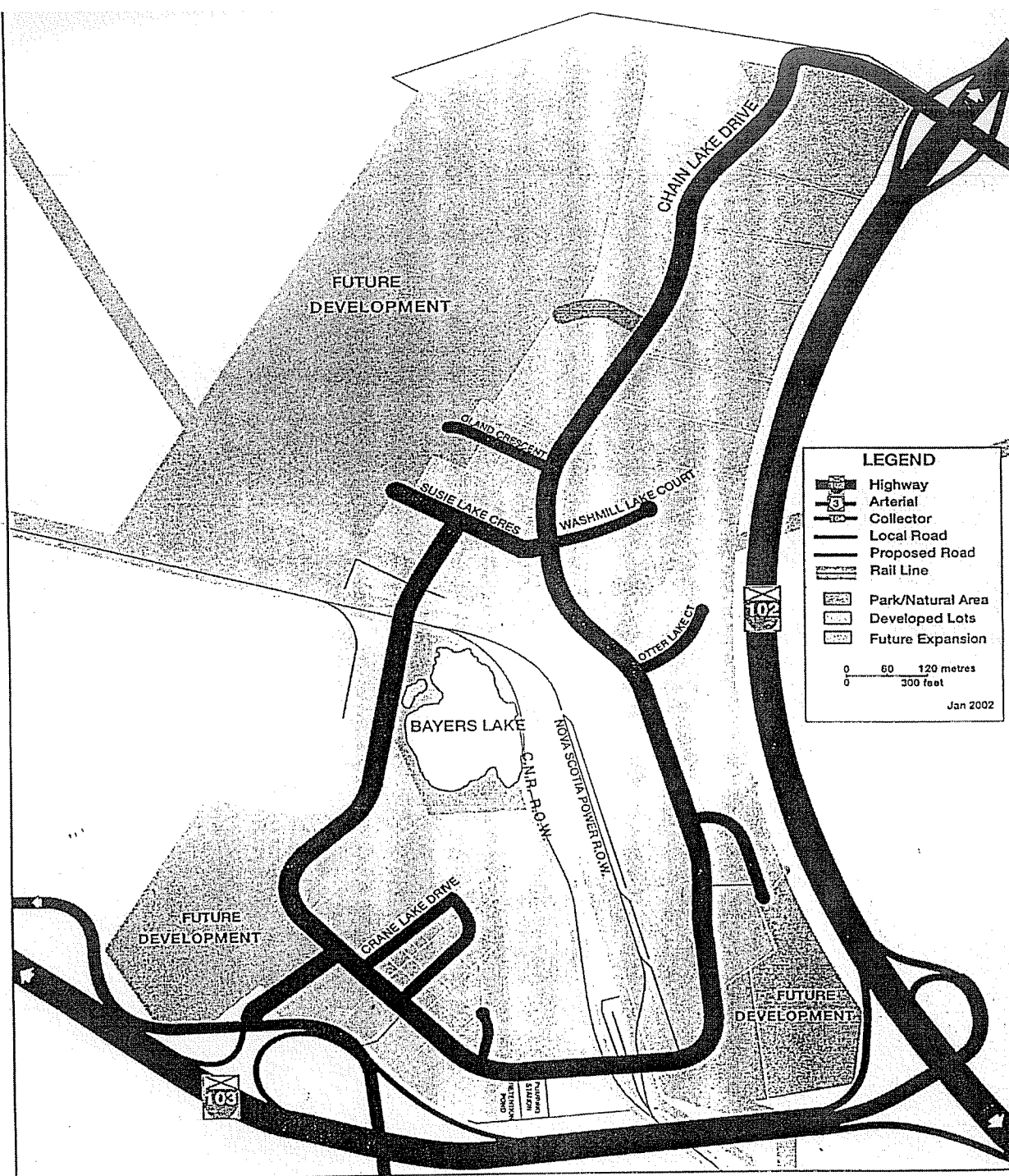
1.3 Dominant Market Position of the Bayers Lake and Burnside Business Parks

Over the past 15 years the rate of demand in the Municipality's twelve business parks has averaged 69 acres per year. Seventy eight percent (78%) of this demand representing 54 acres per year has been for 'serviced/market ready' lots in the five business parks owned by HRM. Similarly, over the past 15 years 82% of the total of \$59.4 million in gross land sales revenue was generated from the five parks owned by HRM. Over this period the five parks owned by HRM generated average annual sales revenue of \$3.3 million.

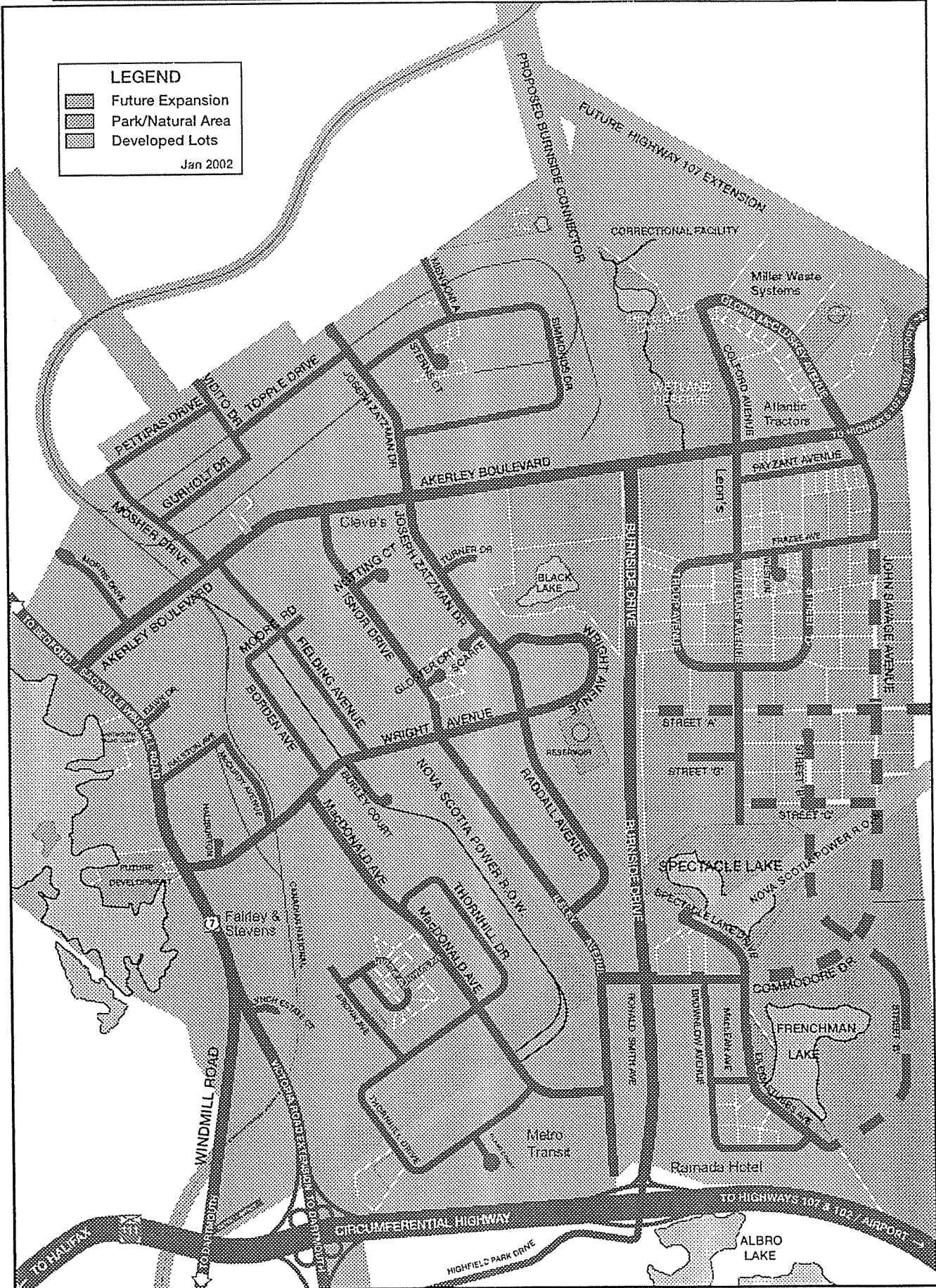
The majority of this demand was for locations in the Bayers Lake and Burnside business parks. As Table 3 shows during the period 1986 to 2000-01 the Bayers Lake and Burnside business parks accounted for \$45.2 million or 76% of the total gross sales generated in all twelve of the Municipality's business and industrial parks. For the fifteen year period 1986 to 2000-01 the Bayers Lake and Burnside parks produced average annual sales of 42.31 acres and average annual gross land sales revenue of \$3 million.

The mid to late 1980's witnessed a significant phase of growth in the regional economy. One of the most significant generators and manifestations of this growth was the demand for new light industrial and commercial office space. Burnside was the preferred location for the construction of much of this new space resulting in the largest single expansion phase in the Park's history. Land sales revenue totalled almost \$19 million for the 1986-1990 period (see Table 3).

As the demand for light industrial and commercial office space dropped severely in the early 1990's the Bayers Lake Park launched a successful campaign to attract 'big box' retailers and to reposition the Park as a large retail node within the regional economy. As a consequence \$7.0 million in land sale revenue was generated during the years 1991 to 1995/96 (see Table 3).



Bayers Lake Business Park



The last of the large retail development sites in the Bayers Lake Park was sold in early 1996. Since amalgamation Bayers Lake has continued to attract companies looking for light industrial and commercial office space but in recent years, demand for these types of space has been strongest in the Burnside Park.

Since the mid-1980's companies have selected the Bayers Lake and Burnside business parks for somewhat different reasons. Yet whether they are considered on an individual basis or in combination it is clear that Bayers Lake and Burnside have the dominant pre-eminent market position within the Municipality's business parks system. Every indicator points to these parks continuing to be the preferred location for companies looking to establish in one of the Municipality's business parks.

2. INVESTMENTS IN BAYERS LAKE AND BURNSIDE BUSINESS PARKS INFRASTRUCTURE

Comprehensive information has been available on land sales revenue and the volume of acreage sold. However, on the expenditure side comprehensive information on the money that has been invested by the three levels of government in public infrastructure such as roads and streets, water and sewer mains and lot grading is not available for the period prior to amalgamation. The most reliable statement that can be made is that at amalgamation HRM inherited net debt of \$18 million on the Bayers Lake Business Park and net debt of \$0.7 million on the Burnside Park.

Since amalgamation HRM has invested \$4.90 million in capital budget projects funded from the **Sale of Land Reserve** and the **Business and Industrial Parks Expansion Reserve** to upgrade and expand public infrastructure in the Bayers Lake and Burnside parks.

2.1 Bayers Lake Business Park

Since amalgamation HRM has invested \$2.7 million in the upgrading and expansion of municipal infrastructure in the Bayers Lake Park. The individual projects and their total costs are set out in Table 6. The majority of the investment has been in the widening of Chain Lake Drive and the installation of concrete curb and gutter and a piped storm water management system for the retail core area of the Park. The Bayers Lake Business Park has received 55% of the total direct municipal investment in rebuilding and expanding infrastructure in HRM business parks since amalgamation. In the Bayers Lake Park \$223,357 or 8% of the funds invested in the Park were directed to Park expansion projects where the costs have been or will be recovered from the sale of lots in the Park.

2.2 Burnside Park

Since amalgamation HRM has invested \$2.2 million in the upgrading and expansion of municipal infrastructure in the Burnside Park. The individual projects are listed in Table 7. In the Burnside Park \$2.0 million or 92% of this investment has been directed to Park expansion projects where the costs have been or will be recovered from the sale of lots in the Park.

3. SUMMARY OF LAND SALES REVENUE AND INVESTMENTS IN BAYERS LAKE AND BURNSIDE BUSINESS PARKS INFRASTRUCTURE

Since amalgamation the Municipality has focussed its financial resources on the two dominant parks of the twelve parks located in HRM; namely Bayers Lake and Burnside Land sales revenue and the cost of infrastructure upgrades and expansions in these two parks during this period are summarized below in Table 8.

Table 8 Summary of Land Sales Revenue and Investments in Park Upgrades and Extensions: Bayers Lake and Burnside 1996-97 to 2000-01						
Infrastructure Investments	HRM Parks		Bayers Lake		Burnside	
	\$	%	\$	%	\$	%
Infrastructure Upgrade Projects	\$2,690,094	55%	\$2,495,880	92%	\$194,214	8%
Infrastructure Extension Projects	\$2,211,401	45%	\$223,357	8%	\$1,988,044	92%
TOTAL	\$4,901,495	100%	\$2,719,237	100%	\$2,182,258	100%
Land Sales Revenue	\$11,199,364		\$3,019,747	27%	\$8,179,617	73%

4. DEMAND FOR 'SERVICED/MARKET READY' LAND IN HRM BUSINESS PARKS

In the preparation of the **HRM Business Parks Expansion Strategy** considerable attention has been given to analysing the sectors of the economy that are likely to drive the demand for 'serviced/market-ready' land in HRM business parks over the balance of the decade. Table 9 highlights the results of this analysis. Overall, it is anticipated that most sectors will generate modest to moderate demand and, in a few instances, moderate to strong demand for 'serviced/market-ready' land.

4.1 Economic Assumptions for Forecasting Future Demand for 'Serviced/Market Ready' Land

In attempting to forecast future demand for 'serviced/market ready' lands in HRM business parks consideration has been given to historic rates of land sales and to an analysis of the prospects for growth in specific areas of the local and regional economy. At the same time any forecast must be premised on certain assumptions about the performance of the overall economy. The following

assumptions have been used for the **HRM Business Parks Expansion Strategy** and for this report:

- GDP growth for the Province of Nova Scotia ranges between 1.5% to 3% for the balance of the decade;
- Inflation remains low (1-2%) during the balance of the decade;
- Natural gas exploration and production proceeds during the period 2002 to 2009; and
- There is a mild recession of no more than one year in duration sometime during the balance of the decade.

4.2 Forecast of Annual Demand for 'Serviced/Market Ready' Lands

Based on the analysis completed for the **HRM Business Parks Expansion Strategy**, an annual demand of 42 acres of 'serviced/market ready' land is forecast for the twelve business parks located in Halifax Regional Municipality for the balance of the decade. Based on a variety of existing circumstances it is prudent to assume that 88% of this demand or approximately 37 acres per year will be directed towards the business parks owned by HRM; and the remaining 12% or approximately five acres per year will be for lots in business parks operated for the Province by Nova Scotia Business Inc.

Overall, this forecast carries with it a confidence rating of plus or minus 20% which means the future demand for 'serviced/market ready' land in the business parks owned by HRM could range from 30 acres to 44 acres per year. If economic performance declines average demand of approximately 30 acres per year is to be expected. On the other hand, if offshore oil and gas fulfills its promise and other sectors of the economy perform well, annual average demand of 44 acres per year and perhaps more becomes a distinct possibility.

5. CURRENT INVENTORY OF "SERVICED/MARKET READY" LANDS

The total inventory of "serviced/market ready" land available for sale in the twelve business parks of Halifax Regional Municipality as of April 1, 2002 is 233 acres. It has a listed market value of \$19.2 million. The allocation of this inventory amongst the Municipality's twelve business parks is detailed in Table 10. Over 80% of the inventory is located in four parks: Burnside, AeroTech, Bayers Lake and Woodside which also account for over 85% of the listed market value of this inventory.

For a variety of reasons that will be examined in detail in the **HRM Business Parks Expansion Strategy** a review of 'serviced/market ready' lands leads to the conclusion that under current circumstances much of the inventory in the following parks has limited market acceptability:

- | | |
|-------------------------|-------------------------------|
| • AeroTech: | 72 acres \$0.8 million |
| • Ragged Lake: | 7 acres \$0.6 million |
| • Bedford: | 2 acres \$0.1 million |
| • <u>Eastern Shore:</u> | <u>10 acres \$0.1 million</u> |
| Total | 91 acres \$1.6 million |

For practical purposes the current inventory of "serviced/market ready" land for which there is a

reasonable degree of market acceptance and potential demand is approximately 142 acres rather than the 233 acres shown as listed for sale in Table 10.

Beyond the quality of the existing inventory, experience also suggests that when the supply of available 'serviced/market ready' land drops below 50 to 60 acres companies become restricted in the variety and size of lots required to meet their requirements. Accordingly, within a demand scenario of 30 to 44 acres per year the Municipality in conjunction with Nova Scotia Business Inc. has an acceptable level of inventory for perhaps the next 24 to 36 months. Yet, if demand were to materialize for one or two relatively large lots this time frame for utilization of the existing inventory could easily be reduced to 18 to 24 months.

6. RECOMMENDED INVENTORY EXPANSION PROJECTS FOR BAYERS LAKE AND BURNSIDE BUSINESS PARKS

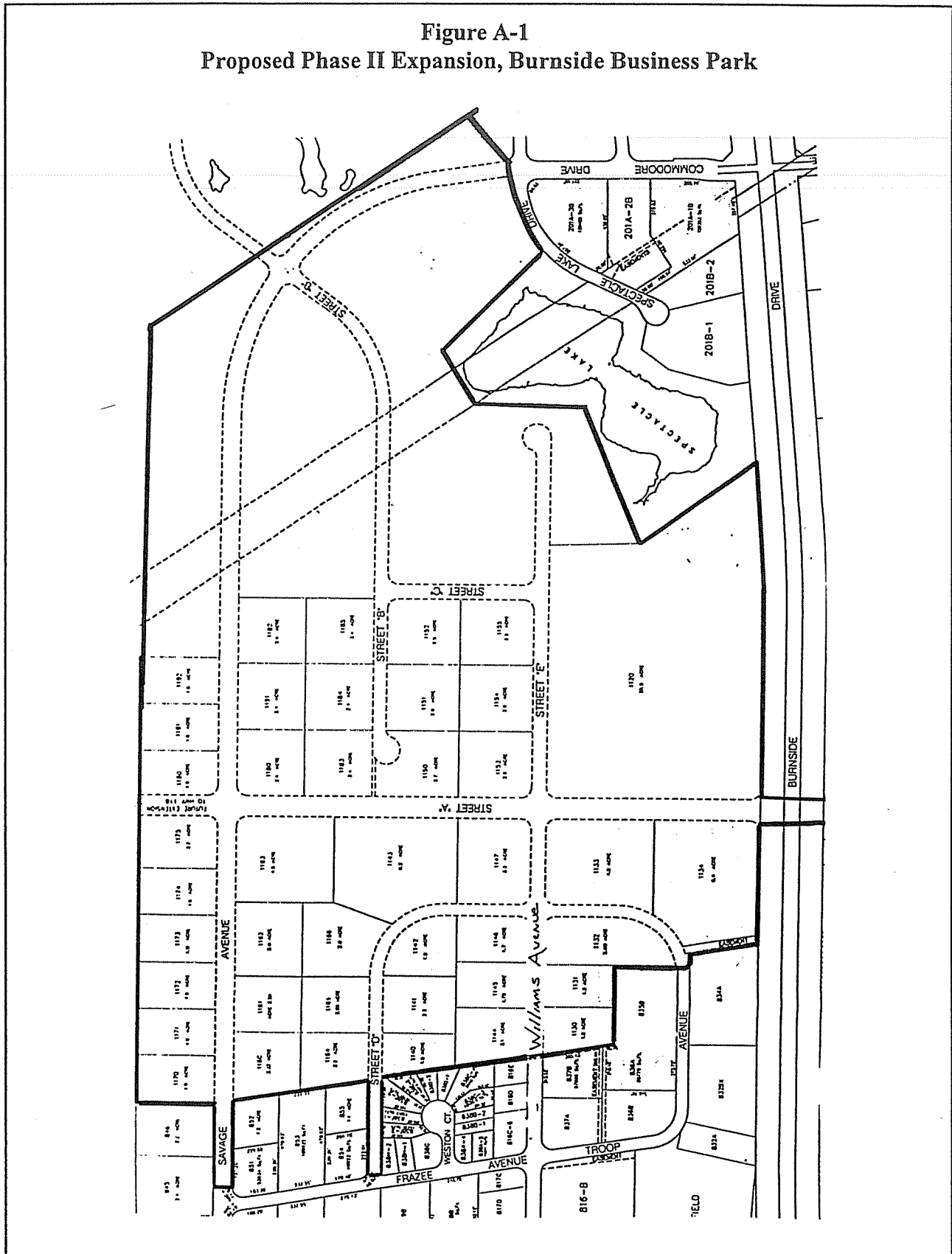
As additional inventory is required there are several expansion opportunities in the Bayers Lake and Burnside business parks where the inventory expansion projects can be completed with the full costs of lot servicing and grading and marketing and sales to be recovered from land sales revenue. The inventory expansion projects that ought to be undertaken as demand warrants are summarized in Table 11.

6.1 Inventory Expansion Projects for Burnside Park

Burnside Park has historically been the dominant business park in Halifax Regional Municipality. There is every reason to conclude that this market position will continue. In particular, the Park enjoys strong potential for expansion, coupled with viable short term development costs. With only 62 acres of 'serviced/market ready' land available as of April 1, 2002 Council has approved proceeding with the initial component of the next major phase of expansion of the Burnside Park.

Phase eleven (phase 11) as illustrated by Figure A-1 would be developed on the east side of Burnside Drive between the office park area of Burnside and the developed lands to the south of Akerley Boulevard. Phase 11 has the potential to produce 213 acres of 'serviced/market ready' inventory.

Figure A-1
Proposed Phase II Expansion, Burnside Business Park



Twenty-five percent (25%) of this inventory (53 acres) can be produced by extending existing local streets and services. During fiscal 2002-03 the completion of Phase 11-1 will consist of the extension of Troop Avenue to connect with the extension of Williams Avenue and by grading eight lots totalling 23.15 acres.

Project #CQ200247 - Phase 11-1/Phase 11-2 Expansion of Burnside Park was allocated \$3,000,000 in the approved 2002-03 capital budget. On the budget project sheet it was noted that depending upon demand the entire \$3 million would be required to proceed with Phase 11-2 or, as an alternative Phase 11-1 would be constructed at an estimated cost of \$2.2 million. Since a deposit has now been received on a large lot in Phase 11-1 this area will be serviced in 2002-03. At the same time Engineering Design Services has advised that detailed engineering plans and specifications should be completed now for the entire area of Phase 11 including the extension of all municipal services; the construction of all proposed streets and the grading of all 213 acres of proposed lots. It is estimated that the cost of preparing detailed engineering plans and specifications will be upwards of \$500,000 or 2% of the estimated total cost of Phase 11. These costs will be funded from Project #CQ200247.

The completion of Phase 11 will require the extension of John Savage Avenue to Commodore Drive. The extension of the street with municipal service mains is estimated to cost \$6.0 million. This street extension is essential to the completion of the overall project but as Table 11 illustrates the costs cannot be fully recovered until completion of the latter stages of Phase 11. Within the next several years the cost of completing the extension of John Savage Avenue to Commodore Drive will place major demands on the **Business and Industrial Parks Expansion Reserve**. In the future it may be necessary for the Municipality to borrow against the value of the inventory to finance all or a portion of the cost of completing the extension of John Savage Avenue to Commodore Drive in order for the Municipality to be able to proceed with the expansion of Phase 11.

It also needs to be noted that the extension of John Savage Avenue to Commodore Drive would have the added, and much needed advantage of providing a second access/exit to this office park area. Traffic congestion is already a major concern in the office park area and this situation will worsen considerably in 2002 with the opening of two new office facilities that will eventually add upwards of 1000 employees and 500-750 vehicles.

As Figure A-1 illustrates, the design of Phase 11 incorporates the extension of Wright Avenue to Burnside Drive, the construction of an at-grade intersection at Burnside Drive and the further extension of Wright Avenue (Street 'A') to an intersection at John Savage Avenue. This infrastructure is estimated to cost \$3.50 million and is included in the cost estimates, as summarized in Table 11, for Phase 11.

The forecasted full recovery of the costs of Phase 11 is based on prices that are currently being realized in the Burnside Park.

6.2 Inventory Expansion Projects for Bayers Lake Business Park

During the 1990's the Bayers Lake Business Park assumed a position of dominance second only to the Burnside Park. With a critical mass of over 200 companies the park has two broadly defined

functional areas: a large node of retail development served by the northeast section of Chain Lake Drive and a general business park area served by the southeast and southwest section of Chain Lake Drive.

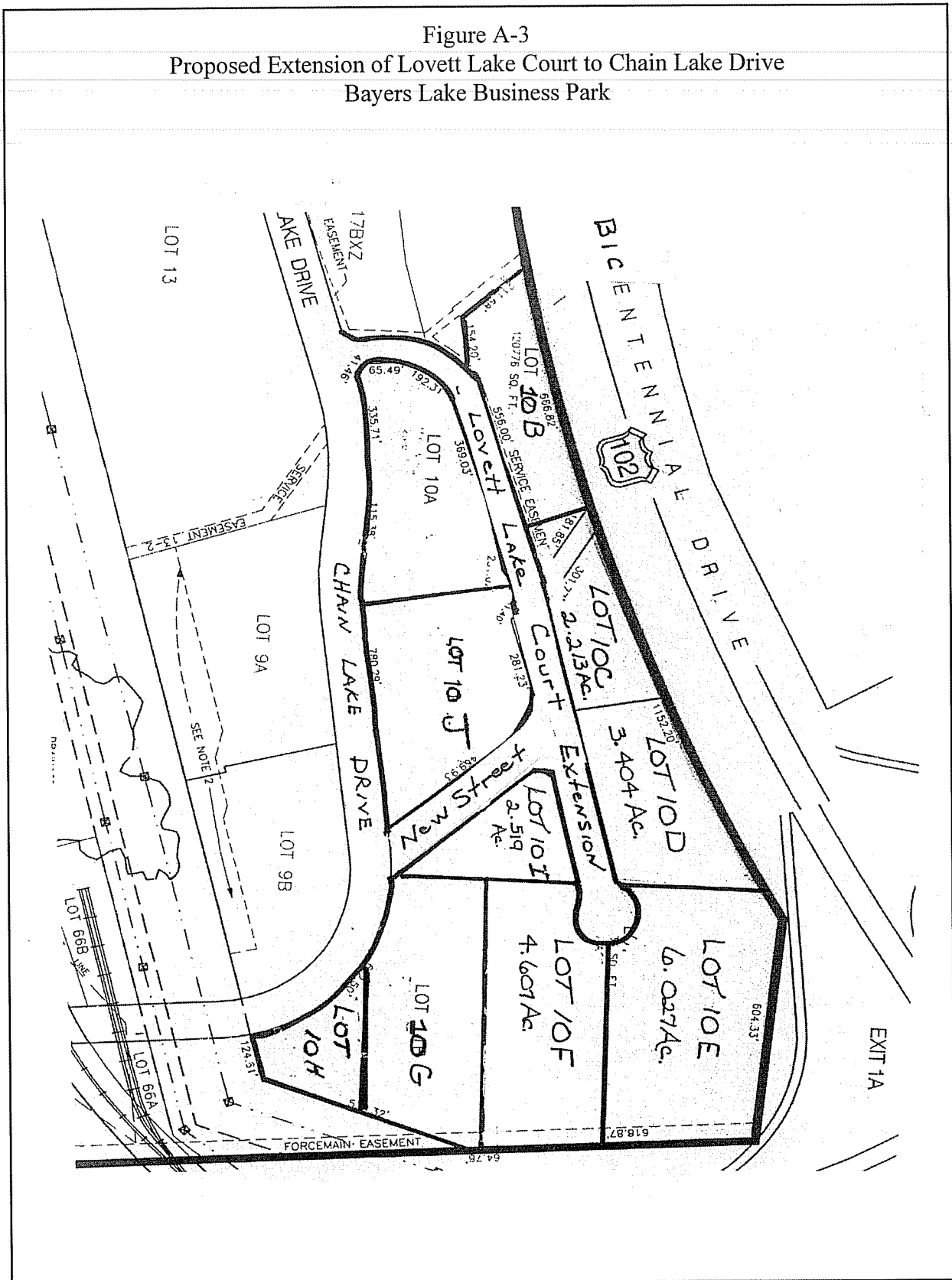
As Table 10 indicates the inventory of 'serviced/market ready' lots in the Park has been reduced to 31 acres and demand in both the retail and light industrial areas of the park remains strong. However, the cost of servicing land in the retail area of the Park is not economically viable in the short term and not likely will be economically viable in the foreseeable future. As explained in greater detail in the **HRM Business Parks Expansion Strategy** the cost of expanding the retail area outside the existing development boundary is estimated to cost \$6 - \$8 per square foot, not including marketing and sales costs. For the foreseeable future the only viable short term expansion opportunities for the Bayers Lake Business Park are in the light industrial/general business area where approximately 55 acres of additional inventory can be generated by the extension of Crane Lake Drive; the extension of Lovett Lake Court and the construction of an internal street system to service lot 62A. The economics of these expansion projects are highlighted in Table 11. It is anticipated that the costs of these expansion projects would be fully recovered from the revenue that the lot sales would produce. The revenue estimates are predicated on lot price increases as indicated below.

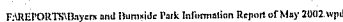
Council has approved funding for the extension of Crane Lake Drive, as illustrated by Figure A-2, for the fiscal year 2002-03. The extension of Crane Lake Drive would produce approximately nine acres of lots ranging in size from 0.43 acres to 2.15 acres. The pricing of these lots is based on the Municipality grading the properties prior to sale. Full cost recovery will also require that lot selling prices be increased by 7% from \$3.75 to \$4.00 per square foot.

The second area consists of approximately 19 acres extending from Lovett Lake Court between Highway #102, the CN rail right-of-way and Chain Lake Drive. The current lotting subdivision consists of a couple of large lots that are not marketable in their current size and configuration. The proposed design of a more marketable subdivision is shown on Figure A-3. It consists of extending Lovett Lake Court and the construction of a new section of street from the intersection of the extension of Lovett Lake Court to Chain Lake Drive. A large proportion of this area is impacted by the presence of large quantities of pyritic slate. Rather than incur the large costs and related environmental risks associated with pregrading these lands for sale they will be priced for sale on an 'as is' basis. Full cost recovery will require that lot selling prices for this area be increased by 29% from \$1.75 to \$2.25 per square foot.

Lot 62A which is bounded by Lakelands Boulevard, Chain Lake Drive and the juncture of Highway #103 and Highway #3 is the third opportunity area for the production of additional 'serviced/market ready' inventory. The proposed lot subdivision as illustrated by Figure A-4 consists of an extension of Chain Lake Drive in an alignment that basically bisects the property. This extension to the juncture of Highway #103 and Highway #3 is subject to the approval of the Nova Scotia Department of Transportation and Public Works. A jointly funded study by the Province and the Municipality that is currently in progress will be the basis for determining whether to grant approval for the proposed new intersection at the juncture of Highway #103 and Highway #3.

Figure A-3
Proposed Extension of Lovett Lake Court to Chain Lake Drive
Bayers Lake Business Park





It is estimated that the lots created in these three areas of the Park plus the existing inventory, as of April 1, 2002 will meet the demand for 'serviced/market ready' lots in the Park for approximately the next three to five years at which time the Bayers Lake Business Park will be effectively sold out. Similarly, once the existing inventory and the additional inventory to be produced from the completion of Phase 11 have been sold the Burnside Park will also be effectively sold out.

In summary, as the above analysis shows the market demand scenario of 30 to 44 acres per year ought to be satisfied by selling down the existing inventory and completing as required the expansion projects for Bayers Lake and Burnside as recommended in Table 11. If demand is stronger, the timetable for these projects ought to be advanced. Similarly, if demand weakens then implementation of the expansion projects ought to be delayed. In either event there is a strong likelihood that by the end of the decade the current expansion potential of both parks will be fully realized and that the inventories of "serviced/market ready" lots will be close to or fully sold out.

7. INFRASTRUCTURE UPGRADE PROJECTS

In conjunction with Public Works and Transportation Services a survey has been completed of the infrastructure upgrade requirements of the Bayers Lake and Burnside parks. As detailed in Table 12 infrastructure upgrade projects estimated to cost \$7.2 million are required for the Bayers Lake Park; and infrastructure upgrade projects estimated to cost \$4.3 million are required for the Burnside Park—a total of \$11.5 million for the two parks.

7.1 Infrastructure Upgrade Projects for the Bayers Lake Business Park

Before examining the specific upgrades required for the Bayers Lake Business Park it is important to recognize that with the success of retail development this area has demanded priority consideration in order to remedy deficiencies in the street infrastructure and traffic management system. As the retail development area was being aggressively marketed in 1990's the Park's street infrastructure was not upgraded to accommodate the significantly higher volume of traffic that results from retail activity. By the time of amalgamation on April 1, 1996 these deficiencies had assumed crisis conditions. Since then, approximately \$2.5 million has been allocated from the Municipality's **Sale of Land Reserve and Business and Industrial Parks Expansion Reserve** to widen and upgrade Chain Lake Drive from the intersection with Highway #102 to the intersection of Chain Lake Drive with Washmill Lake Court and Susie Lake Crescent. In addition the storm water collection system along this stretch of Chain Lake Drive was also enclosed and concrete curb and gutter and a primary level of landscaping was installed as part of the finished street-scape. Finally, traffic signalization was installed at several intersections along this same stretch of Chain Lake Drive.

Today, the Bayers Lake Business Park's infrastructure upgrade requirements continue to be a major priority amongst the Municipality's business parks. In particular, two projects require immediate consideration:

1. Widening of Lacewood Drive under Highway #102 to eight lanes to Chain Lake Drive including concrete curb and gutter, concrete sidewalk and enclosed stormwater system (\$1,200,000)
2. Upgrade the street system to HRM urban core standard (\$5,631,000)

These two projects plus the extension of the sidewalk on Chain Lake Drive, as summarized in Table 12, are estimated to cost \$7.2 million.

Improvements at the intersection of Lacewood Drive, Highway 102 and Chain Lake Drive were recommended in the **1999 Bayers Lake Interchange Traffic Study**. The proposed project would include the following upgrades:

1. Widen Lacewood Drive to eight lanes through the interchange area under the Highway 102 overpass to Chain Lake Drive;
2. Widen interchange ramps as they converge with the interchange;
3. Extend the concrete sidewalk on the south side of Lacewood Drive to connect with the concrete sidewalk on Chain Lake Drive; and
4. Install overhead sign structures.

These improvements include upgrades to infrastructure that forms part of Highway #102. In a jurisdictional sense, most of these improvements are properly the responsibility of the Nova Scotia Department of Transportation and Public Works. In more practical terms a strong argument can be made that these improvements ought to be cost shared by the Municipality. In the first instance, it was the former City of Halifax that requested the Province of Nova Scotia to construct the interchange and the City contributed 50% of the cost. The interchange was constructed to conventional interchange standards for connections between a 100 series highway and a local street system. At the time no provision was made for the upgrades that would be required to accommodate a retail dominated business park. It is certainly likely that at the time the interchange was constructed if the Province had been requested to fund all or a portion of the upgrades the request would have been refused. Then, as now, the principal beneficiaries of these upgrades are the Municipality and the companies located in the Park.

The Bayers Lake Business Park is the only business park within the urban core that does not comply with the Municipality's own **Urban Core Infrastructure Design and Construction Standards**. The design of the existing municipal infrastructure is more suitable to a rural based industrial park designed to accommodate low levels of development and traffic flow. With the exception of the stretch of Chain Lake Drive that bisects the retail development area all streets in the Park require the installation of concrete curb and gutter and landscaping within the street rights of way; the replacement of open storm water ditches with a piped stormwater system; a final lift of asphalt on all streets; bus bays and turning lanes. Upon completion the Bayers Lake Business Park would be equipped with a level of municipal infrastructure comparable to the other business parks located within the Municipality's urban core including Atlantic Acres, Burnside, Lakeside, Sackville and

Woodside—a level of municipal infrastructure that would be adequate to meet the demands placed on it by the companies in the park.

The existing street infrastructure had deteriorated noticeably in recent years. The upgrades ought to be completed within the next two to three years. Beyond this time frame it may be necessary to reconstruct major sections of streets adding to the already estimated total cost.

7.2 Infrastructure Upgrade Projects for the Burnside Park

Overall the Municipal infrastructure in the Burnside Park is in fair to good condition. The major concerns are ones relating to improving traffic flow at several major intersections and ongoing street paving and curbing upgrades. The projects are summarized in Table 13. As indicated, upgrades to five major intersections are estimated to cost \$1.9 million and upgrades to street paving and curbing is estimated to cost \$1.1 million. Sidewalk construction adds \$1.3 million for a total estimated cost of \$4.3 million. The Municipality's priority for the following intersection improvement projects ought to be as follows:

1. The intersections at Ronald Smith Avenue, Burnside Drive, Commodore Drive and Ilsley Avenue;
2. The intersection of Akerley Boulevard at Windmill Road;
3. Akerley Boulevard intersections with Mosher Drive and Fielding Avenue;
4. Windmill Road from Victoria Road to Akerley Boulevard; and
5. Wright Avenue at Macdonald Avenue intersection

These intersections were recently analyzed in a study prepared by CBCL Limited entitled, **Burnside Intersection Performance Evaluation** (April, 2002). The report's recommendations for each of these intersections and the estimated costs of the upgrades are summarized below:

The Intersection at Ronald Smith Avenue, Burnside Drive, Commodore Drive and Ilsley Avenue is one of the two most heavily traveled intersections in Burnside. The required upgrades consist of four major components of work at a total estimated cost of \$1,000,000.

- an additional left turning lane on Burnside Drive northbound. This would include the widening of Burnside Drive and the north side of Ronald Smith Avenue to accommodate movement, all traffic signal modifications and overhead signs; plus the widening of Ilsley Avenue between Raddall Avenue and Macdonald Avenue. Phase 1 has a total estimated cost of \$675,000.
- the provision of a dedicated right turning lane on Ronald Smith Avenue onto Ilsley Avenue. This would require the construction of additional lanes on the south side of Ronald Smith Avenue and the west side of Burnside Drive to Highway 111 at an estimated cost of \$238,000.

- a dedicated right turn heading south on Burnside Drive onto Ronald Smith Avenue. This would require the widening of Burnside Drive to the west side to a free flowing right turn onto Ronald Smith Avenue. The estimated cost of this upgrade is \$80,000.
- improvements to intersection at Ronald Smith and Ilsley Avenue and the optimization of traffic signals by making the necessary changes to the signal timing at an estimated cost of \$87,000.

The construction of the intersection of Ronald Smith Avenue, Burnside Drive and Commodore Drive was similar to that of the intersection at Highway #102 and Chain Lake Drive in that the work was carried at the strong urging of the former City of Dartmouth in order to permit the expansion of phases 5 - 7 and phase 10 of Burnside. The improvements that are being recommended are a direct consequence of these expansion phases now being almost completely sold out and developed. The need for the intersection improvements are a direct consequence of the successful expansion of Burnside. The intersection improvements would greatly improve overall traffic circulation in the Burnside Park and would set the stage for undertaking the proposed Phase 11 expansion - the last major phase of expansion of the Burnside Park.

The Improvements at the Intersection of Akerley Boulevard and Windmill Road would consist of the construction of a new right turn land from Akerley Boulevard onto Windmill Road allowing for double left turns and double right turns onto Windmill Road. The estimated cost is \$307,000 including possible land acquisition.

Upgrades at the intersections of Akerley Boulevard and Mosher Drive and Akerley Boulevard at Fielding Avenue would involve the following:

- installation of traffic signals at the intersection of Akerley Boulevard and Mosher Drive;
- the addition of a left turning lane on Akerley Boulevard from Windmill Road to Mosher Drive utilizing the existing median; and
- the addition of a left turning lane on Mosher Drive heading east on Akerley Boulevard by widening the existing roadway of Mosher Drive.

The estimated cost of these upgrades is \$270,000. No upgrades are recommended for the intersection at Akerley Boulevard and Fielding Avenue.

The Windmill Road Corridor from Victoria Road to Akerley Boulevard consists of a 1.37 kilometer section of Windmill Road that features three signalized intersections which service 44,000 vehicles per day. The recommended improvements to the Windmill Road corridor are briefly summarized below:

- implement optimization of traffic signals; and
- monitor traffic volumes, accident experience and attempt to increase the effectiveness of a range of traffic control measures, including access management for existing and proposed future driveways.

Improved traffic signal optimization and access management measures are estimated to cost \$30,000.

The Intersection of Wright Avenue and MacDonald Avenue is a three-way, "T" intersection which serves as a major entry and exit point for the southeastern section of the Burnside Park. To improve the overall traffic flow at this intersection the following improvements are recommended:

- signalization of the intersection at an estimated cost of \$165,000;
- widen MacDonald Avenue by two meters to thirteen meters to permit both left and right turning lanes for northbound traffic. These upgrades would cost an estimated \$75,000; and
- the third phase of upgrades at this intersection would include the widening of Wright Avenue on its north side by approximately two meters between Borden Avenue and the rail tracks to accommodate a left turn lane for westbound traffic. The estimated cost would be \$70,000.

The total estimated cost of these upgrades at the intersection of Wright Avenue and Macdonald Avenue is \$310,000.

Several areas in the Burnside Park experience significant volumes of pedestrian traffic. These areas are in close proximity to major streets; close to concentrations of retail and food and beverage operations and close to high frequency transit stops. In most instances these areas are not serviced by sidewalks. Accordingly, the recommended program of upgrades for the Park includes provision for the installation of sidewalks in several of these areas; namely:

1. north side of Akerley Boulevard from Windmill Road to Fielding Avenue;
2. eastside of Windmill Road from Akerley Boulevard to Maritime Beer Company property;
3. eastside of Ilsley Avenue from Wright Avenue to Ronald Smith Avenue; and
4. a provision for additional sidewalk construction based upon an analysis of need.

The total estimated cost of these sidewalk upgrades is \$1,330,000.

8. SUMMARY OF PROPOSED ADDITIONS TO INVENTORY OF SERVICED/MARKET READY LOTS AND PROPOSED INFRASTRUCTURE UPGRADE PROJECTS AND THE BUSINESS/INDUSTRIAL PARKS EXPANSION RESERVE

Over the balance of the decade the demand for serviced/market ready lots in the Bayers Lake and Burnside business parks will likely require the Municipality to proceed with additions to the inventory of upwards of 268 acres at an estimated cost of \$41.5 million. While issues need to be resolved regarding cash flow the revenues generated from the sale of these lots ought to be sufficient to fully recover the inventory production and servicing costs and the related marketing and sales costs. At the same time the Municipality ought to proceed with a program of infrastructure upgrades in the two parks estimated to cost \$11.5 million: \$7.2 million for the Bayers Lake Park and \$4.3 million for the Burnside Park.

8.1 Business and Industrial Parks Expansion Reserve

The **Business and Industrial Parks Expansion Reserve** has been established by Regional Council as a means of providing an ongoing source of funds to ensure that the Municipality is able to respond to demand for 'serviced/market ready' lands without adding to the Municipality's capital debt. Funds from land sales are netted to the **Business and Industrial Parks Expansion Reserve** and used as a revolving fund or working capital to pay for the cost of adding to the inventory of 'serviced/market ready' lands. Nevertheless, the **Reserve** ought to be used to contribute to the cost of two major intersection improvement projects because they are important to the ongoing viability of the Bayers Lake and Burnside parks and their capacity to accommodate future expansion and growth:

- the Lacewood Drive/Highway #102/Chain Lake Drive Intersection project at an estimated cost of \$1.2 million
- the intersection improvements at Ronald Smith Avenue, Burnside Drive and Ilsley Avenue at an estimated cost of \$1.0 million

It would be shortsighted of the Municipality to aggressively proceed with the expansion of these parks while turning a blind eye to the pressing traffic problems that these projects would alleviate. Without these projects being completed the success of the expansion projects would only add to the severity of the traffic problems.

This report indicates that approximately \$41.5 million needs to be invested to meet future inventory requirements. As this inventory is serviced certain projects such as the extension of John Savage Avenue to Commodore Drive in the Burnside Park will require some form of interim financing as they will be beyond the anticipated financing capability of the **Business and Industrial Parks Expansion Reserve**. There is, therefore, a requirement to examine in more detail the alternatives that are available to the Municipality that would allow the expansion program to proceed as required in response to market demand without placing additional demands on the Capital Budget.

<p align="center">Table 14 Summary of Proposed Additions to Inventory of ‘Serviced/market Ready’ Lots and Recommended Infrastructure Upgrade Projects; Market Value Existing Inventory of ‘Serviced/Market Ready’ Lots and Uncommitted Balance of Business/Industrial Parks Expansion Reserve</p>		
	Estimated Cost	Estimated Revenue
A. Park Expansion Projects/Additions to Inventory:		
• Bayers Lake	\$8.62 M	\$8.72 M
• Burnside	<u>\$32.91 M</u>	<u>\$33.76 M</u>
	<u>\$41.53 M</u>	<u>\$42.48 M</u>
B. Infrastructure Upgrade Projects:		
• Bayers Lake	\$7.00 M	Ø
• Burnside	<u>\$3.20 M</u>	Ø
	<u>\$10.20 M</u>	Ø
C. Market Value of Existing Inventory of ‘Serviced Market Ready’ Lots: As of April 1, 2002		
• Bayers Lake	Ø	\$3.30 M
• Burnside	Ø	<u>\$9.20 M</u>
	Ø	<u>\$12.50 M</u>
D. Uncommitted Balance of Business/Industrial Parks Expansion Reserve: Unaudited as of April 1, 2002	Ø	\$1.62 M

8.2 Funding of Additional Infrastructure Upgrades

As stated a portion of the cost of the priority intersection upgrades in the Bayers Lake and Burnside business parks ought to be funded from the **Business and Industrial Parks Expansion Reserve**. However, beyond these two pressing priority infrastructure projects the Reserve will be required to provide the necessary cash flow for the \$41.53 million of expansion projects in the Bayers Lake and Burnside business parks.

Upgrading existing infrastructure will clearly benefit land owners and tenants within the business parks by providing suitable access for customers. Therefore revenues required to support these upgrades should be collected from those who benefit. Beyond the two immediate priority intersection upgrade projects in Bayers Lake and Burnside the use of existing funds in the expansion reserve for upgrades limits the ability to create an expanded tax base. With this in mind, staff will be recommending in the **HRM Business Parks Expansion Strategy** that Council instruct staff to present to Council, within 12 months, a long term capital expenditure plan and financing package that would address the separate needs of 1) upgrading existing infrastructure for the HRM’s Business Parks and 2) adding to and sustaining an inventory of “serviced/market ready land” within the business parks and that the financing plan include proceeds from the sale of land, **Business and Industrial Parks Expansion Reserve** area rates, debt, and other appropriate measures that are

available to the Municipality. Since the requirements of each Business Park are unique, this additional work will be required before staff can present to Council a long term capital, financing and area rate estimates for the upgrade projects identified in this report.

BUDGET IMPLICATIONS

The budget implications are set out in the Background/Discussion section of this report.

FINANCIAL MANAGEMENT POLICIES / BUSINESS PLAN

This report complies with the Municipality's Multi-Year Financial Strategy, policies and procedures regarding withdrawals from and the utilization of Capital and Operating reserves, as well as any relevant legislation.

ALTERNATIVES

There are no projects being recommended as alternatives to those set out in this report.

ATTACHMENTS

Attachment "A": Statistical Tables 1-14.

Additional copies of this report, and information on its status, can be obtained by contacting the Office of the Municipal Clerk at 490-4210, or Fax 490-4208.

Report Prepared by: Tom Rath, General Manager, Business Parks and Special Projects, 490-5990

ATTACHMENT "A"

The following tables are presented in Attachment "A":

TABLE

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TABLE 1 Bayers Lake Business Park Summary of Land Sales Transactions			
Year	Site Transactions	Total Acreage Sold	Land Sales Revenue
2000-2001	14	4.43	\$181,203
1999-2000	9	13.65	\$722,040
1998-1999	4	5.03	\$374,621
1997-1998	3	5.86	\$402,680
1996-1997	8	37.00	\$1,339,203
1995-1996	3	3.33	\$359,941
1994-1995	8	84.74	\$3,113,460
1993-1994	8	50.88	\$3,130,339
1992	4	7.28	\$392,281
1991	1	0.39	\$37,610
1990	9	28.84	\$1,572,446
1989	5	10.29	\$631,533
1988	7	7.53	\$500,473
1987	2	15.32	\$756,312
1986	1	4.77	\$143,100
Total	76	279.34	\$13,657,242
2001-02	5	11.19	\$562,937

Table 2
Burnside Business Park
Summary of Sales of Sites

Year	Site Transactions	Total Acreage Sold	Land Sales Revenue
2000-2001	10	28.58	\$2,464,930
1999-2000*	15	35.88	\$3,437,491
1998-1999	9	10.12	\$1,126,961
1997-1998	6	14.72	\$974,027
1996-1997	3	7.87	\$176,208
1995-1996	10	8.51	\$563,014
1994-1995	10	11.73	\$1,220,021
1993-1994	3	7.21	\$595,610
1992	10	5.51	\$652,419
1991	11	12.31	\$1,492,767
1990	14	25.04	\$3,009,782
1989	31	36.70	\$4,290,251
1988	38	68.30	\$6,084,596
1987	29	56.82	\$3,924,049
1986	18	26.00	\$1,615,960
1985	12	40.37	\$3,414,977
1984	13	36.08	\$2,747,318
1983	11	44.08	\$2,836,506
1982	6	11.81	\$593,999
1977-1981	38	130.56	\$5,416,408
1972-1976	63	167.97	\$4,362,566
1967-1971	12	45.53	\$566,731
Pre 1967	65	127.42	\$3,025,075
Total	437	959.1	\$54,591,666
2001-02	19	23.13	\$2,907,383

Note: Prior to 1967 Burnside Business Park was operated as a private corporation and the park area was known as Commodore Commercial Estates. The best available information suggests that Commodore Commercial Estates sold serviced lots at an average price of \$0.50 per square foot (\$21,780 per acre)

* Does not include exchange of lot 920 comprised of approximately 60 acres with Province of Nova Scotia for Jacks Lake lands.

Table 3 Five Year Summaries of Gross Land Sales Revenue 1986 to 2000-01 Bayers Lake & Burnside							
Five Year Time Frame	Business Parks Total	Bayers Lake Park		Burnside Park		Bayers Lake Burnside Combined	
		\$	% of Total for Time frame	\$	% of Total for Time frame	\$	% of Total for Time frame
1986 to 1990	\$31.0M	\$3.6M	12%	\$18.9M	61%	\$22.5M	73%
1991 to 1995-96	\$12.8M	\$7.0M	55%	\$4.5M	35%	\$11.5M	90%
1996-97 to 2000-01	\$15.5M	\$3.0M	19%	\$8.2M	53%	\$11.2M	72%
Total	\$59.3M	\$13.6M	23%	\$31.6M	53%	\$45.2M	76%

Table 4 Five Year Summaries of Land Sales, By Acreage; 1986 to 2000-01 Bayers Lake & Burnside							
Five Year Time Frames	Acres: Business Parks Total	Bayers Lake Park		Burnside Park		Bayers Lake Burnside Combined	
		Acres	% of Total for Time frame	Acres	% of Total for Time frame	Acres	% of Total for Time frame
1986 to 1990	539.9 Acres	66.8 Acres	12%	212.9 Acres	39%	279.7 Acres	51%
1991 to 1995-96	239.9 Acres	146.6 Acres	61%	45.3 Acres	19%	191.9 Acres	80%
1996-97 to 2000-01	255 Acres	66.0 Acres	26%	97.1 Acres	38%	163.1 Acres	64%
Total	1034.8 Acres	279.4 Acres	27%	355.3 Acres	34%	634.7 Acres	61%

Table 5 Bayers Lake Business Park and Burnside Business Park Summary of Sales of Sites			
Year	Site Transactions	Total Acreage Sold	Land Sales Revenue
2000-2001	24	33.01	\$2,646,133
1999-2000*	24	49.53	\$4,159,531
1998-1999	13	15.15	\$1,501,582
1997-1998	9	20.58	\$1,376,707
1996-1997	11	44.87	\$1,515,411
1995-1996	13	11.84	\$922,955
1994-1995	18	96.47	\$4,333,481
1993-1994	11	58.09	\$3,725,949
1992	14	12.79	\$1,044,700
1991	12	12.70	\$1,530,377
1990	23	53.88	\$4,582,228
1989	36	46.99	\$4,921,784
1988	45	75.83	\$6,585,069
1987	31	72.14	\$4,680,361
1986	19	30.77	\$1,759,060
Subtotal	303	634.64 Acrs.	\$45,285,328
1985	12	40.37	\$3,414,977
1984	13	36.08	\$2,747,318
1983	11	44.08	\$2,836,506
1982	6	11.81	\$593,999
1977-1981	38	130.56	\$5,416,408
1972-1976	63	167.97	\$4,362,566
1967-1971	12	45.53	\$566,731
Pre 1967	65	127.42	\$3,025,075
Total	513	1238.44	\$68,248,908
2001-02	24	34.32	\$3,470,320
<p>Note: Prior to 1967 Burnside Business Park was operated as a private corporation and the park area was known as Commodore Commercial Estates. The best available information suggests that Commodore Commercial Estates sold serviced lots at an average price of \$0.50 per square foot (\$21,780 per acre)</p> <p>* Does not include exchange of lot 920 comprised of approximately 60 acres with Province of Nova Scotia for Jacks Lake lands.</p>			

Table 6 Bayers Lake Business Park Completed Infrastructure Upgrades and Expansions, 1996-97 to 2000-01	
Description of Completed Infrastructure Project and Total Cost	
<ul style="list-style-type: none"> Chain Lake Drive Improvements: Street Widening, Concrete Curb and Gutter, Piped Storm Water Management System, Traffic Signalization and Partial Sidewalk Installation. (CQE00229/231/017) Lot 13AB; Chain Lake Drive Lot Servicing - Installation of Service Laterals to meet Pre-amalgamation Purchase and Sale obligations (22-8010) Lot 9; Chain Lake Drive: Lot Grading (CQE00232) Otter Lake Court: Grading of Street ROW to provide for Installation of Utility Services (CQQ00062) 	<p>\$2,495,880</p> <p>\$ 129,687</p> <p>\$ 72,565</p> <p>\$ 21,105</p>
TOTAL	<u>\$2,719,237</u>

Table 7 Burnside Park Completed Infrastructure Upgrades and Expansions 1996-97 to 2000-01	
Description of Completed Infrastructure Project and Total Cost	
<ul style="list-style-type: none"> Phase 9: Gloria McCluskey Avenue - Extension of Street and Municipal Services to Colford Avenue (22-80226) \$ 755,580 Phase 11-1: Frazee Avenue - Extension of Street and Municipal Services to John Savage Avenue and Grading of Lots (16.5 Acres) (CQQ00151/22-80225) \$ 525,944 Bancroft Court Development - Phase 1: Construction of Private Lane/Common Driveway, and Relocation of Jack's Island Road and Related Services (CQE00639)* \$ 475,000 Demolition of Former Transit Station to Prepare Lot 103B for Marketing and Sale (CQE00238) \$ 231,520 Wright Avenue at Ilsley Avenue and Isnor Drive: Intersection Upgrades and Traffic Lights (22-80221) \$ 124,567 Burnside Major Routes Traffic Study - Analysis for Design of Street System for Phase 11 and Phase 12 of Park Expansion (CQE00613) \$ 50,195 Landscaping Upgrades - Various Locations (22-80202/22-80203) \$ 19,452 	
TOTAL	<u>\$2,182,258</u>
<p>* Represents the commitment of funds only. With delays to the project the actual completion of Phase 1 of this project was carried into 2001-02.</p>	

Table 8 Summary of Land Sales Revenue and Investments in Park Upgrades and Extensions: Bayers Lake and Burnside 1996-97 to 2000-01						
Infrastructure Investments	<u>HRM Parks</u>		<u>Bayers Lake</u>		<u>Burnside</u>	
	\$	%	\$	%	\$	%
Infrastructure Upgrade Projects	\$2,690,094	55%	\$2,495,880	92%	\$194,214	8%
Infrastructure Extension Projects	\$2,211,401	45%	\$223,357	8%	\$1,988,044	92%
TOTAL	\$4,901,495	100%	\$2,719,237	100%	\$2,182,258	100%
Land Sales Revenue	\$11,199,364		\$3,019,747	27%	\$8,179,617	73%

Table 9 Potential Demand Generators for "Serviced/Market Ready" Land in HRM Business Parks	
Potential Land Demand Generator	Level of Potential Demand
1. Warehousing and Distribution Facilities	1. Modest to Moderate Demand
2. Manufacturing Facilities	2. Modest Demand
3. Retail Space	3. Moderate to Strong Demand
4. Call Centres	4. Modest to Moderate Demand
5. Information Technology Industry Requirements	5. Modest to Moderate Demand
6. Biotechnology Sector and Related Research and Development Facilities	6. Modest to Moderate Demand
7. Business Services and Sales Facilities	7. Moderate to Strong Demand
8. Office Space for Government Services	8. No Demand to Modest Demand
9. Suburban Office Space Demand.	9. Modest to Moderate Demand
10. Facilities Required for Offshore Oil and Gas Industry	10. Modest to Moderate Demand
11. Facilities for Transportation and Shipping Services Related to Expansion of Port of Halifax	11. Modest Demand
12. Demand for Multiple Tenancy Light Industrial and Commercial Space	12. Modest to Moderate Demand

Table 10 Inventory of Serviced/Market Ready Lots in HRM Business Parks as of April 1, 2002				
Name of Park	Acreage		Market Value	
	No.	%	\$	%
AeroTech Business Park	72	31%	\$0.8 M	14%
Bayers Lake Business Park	31	13%	\$3.3 M	15%
Burnside Business Park	62	27%	\$9.2 M	43%
Lakeside Industrial Park	Ø	Ø	Ø	Ø
Ragged Lake Business Park	7	3%	\$0.6 M	3%
<u>SUB-TOTAL: HRM PARKS</u>	172	74%	\$13.9 M	75%
Atlantic Acres Industrial Park	10	4%	\$0.9 M	4%
Bedford Industrial Park	2	1%	\$0.1 M	1%
Eastern Shore Industrial Park	10	4%	\$0.1M	1%
Musquodoboit Harbour Industrial Park	Ø	Ø	Ø	Ø
Sackville Business Park	11	5%	\$0.9 M	4%
Sheet Harbour Industrial Park	8	Ø	Ø	Ø
Woodside Industrial Park	28	12%	\$3.3 M	15%
<u>SUB-TOTAL: PROVINCE OF NOVA SCOTIA PARKS</u>	61	26%	\$5.3 M	25%
TOTAL	233	100%	\$19.2M	100%

Table 11 Summary of Recommended Expansion Projects for Bayers Lake and Burnside		
Expansion Project	Estimated Expenditures	Estimated Value of Inventory (No. of Acres)
1. Burnside: Phase 11-1	\$2.94 M	\$3.78 M (23 Acres)
2. Burnside: Phase 11-2	\$3.60 M	\$4.69 M (30 Acres)
3. Burnside: John Savage Avenue to Commodore Drive	\$6.00 M	Ø
4. Burnside: Phase 11-3	\$1.85 M	\$4.26 M (26 Acres)
5. Burnside: Phase 11-4	\$2.55 M	\$5.22 M (35 Acres)
6. Burnside: Phase 11-5	\$6.12 M	\$5.62 M (34 Acres)
7. Burnside: Phase 11-6	\$1.73 M	\$1.62 M (10 Acres)
8. Burnside: Phase 11-7	\$2.37 M	\$4.32 M (29 Acres)
9. Burnside: Phase 11-8	\$1.34 M	\$2.71 M (17 Acres)
10. Burnside: Phase 11-9	\$0.91 M	\$1.54 M (9 Acres)
11. Extension of Wright Avenue to John Savage Avenue including Intersection at Burnside Drive	<u>\$3.50 M</u>	Ø
BURNSIDE: Total	<u>\$32.91 M</u>	<u>\$33.76 M (208) Acres</u>
1. Bayers Lake: Extension of Crane Lake Drive	\$1.59 M	\$1.59 M (9 Acres)
2. Bayers Lake: Extension of Lovett Lake Court	\$1.75 M	\$1.84 M (19 Acres)
3. Bayers Lake: Subdivision and Servicing of Lot 62A	<u>\$5.28 M</u>	<u>\$5.29 M (27 Acres)</u>
BAYERS LAKE: Total	<u>\$8.62 M</u>	<u>\$8.72 M (55 Acres)</u>
TOTAL	<u>\$41.53 M</u>	<u>\$42.48 M (268 Acres)</u>
Balance of Revenue after Expenditures: (2%)		\$0.95 Million

<p>Table 12 Infrastructure Upgrades; Bayers Lake Business Park</p>	
Description of Infrastructure Upgrade	Estimated Cost
1. Widening of Lacewood Drive under Highway #102 to 8 Lanes to Chain Lake Drive including Concrete Curb and Gutter, Concrete Sidewalk and Enclosed Stormwater System	\$1,200,000
2. Upgrade the streets to "HRM Urban Core Standard":	
• Chain Lake Dr.: 3250m (Susie Lake Cr. to Washmill Lake Ct.)	\$ 3,500,000
• Susie Lake Cr.: 210m (Chain Lake Dr. to Chain Lake Dr.)	\$, 250,000
• Lakelands Blvd.: 240m (Highway #3 to Chain Lake Dr.)	\$ 75,000
• Lovett Lake Ct.: 285m (Chain Lake Dr. to end)	\$ 225,000
• Otter Lake Ct.: 215m (Chain Lake Dr. to end)	\$ 175,000
• Ash Lake Ct.: 130m (Chain Lake Dr. to end)	\$ 100,000
• Crane Lake Dr.: 255m (Chain Lake Dr. to end)	\$ 175,000
• McQuade Lake Cr.: 290m (Chain Lake Dr. to end)	\$ 250,000
• Oland Cr.: 150m (Chain Lake Dr. to end)	\$ 125,000
• Landscape Reinstatement and Upgrades within Street Right of Way @ 10% of Estimated Cost of Street Upgrades	\$ 488,500
• Contingency @ 5%	<u>\$ 268,000</u>
	\$ 5,631,500
3. Extension of Existing Sidewalk on Chain Lake Drive to Washmill Lake Court	<u>\$ 175,000</u>
4. Sidewalk construction - locations to be identified based on analysis of need	<u>\$ 194,000</u>
TOTAL	<u>\$ 7,200,000</u>

Table 13 Infrastructure Upgrades, Burnside Park	
Description of Infrastructure Upgrade	Estimated Cost
1. Intersection Upgrades:	
• Ronald Smith Avenue, Burnside Drive, Commodore Drive and Ilsley Avenue	\$1,000,000
• Akerley Boulevard at Windmill Road	\$307,000
• Akerley Boulevard Intersection with Mosher Drive	\$270,000
• Windmill Road Corridor	\$ 30,000
• Wright Avenue and MacDonald Avenue	<u>\$310,000</u>
	<u>\$1,917,000</u>
2. Paving Upgrades:	
• Asphalt Paving of Ralston Avenue from McCurdy Avenue to Windmill Road	
• Asphalt Paving of Joseph Zatzman Drive from Topple Drive to End	\$200,000
• Reconstruction of Mosher Drive from Gurholt Drive to Pettipas Dr	\$34,000
• Asphalt Paving of Gurholt Dr. from Vidito Dr. to Mosher Dr.	\$150,000
• Asphalt Paving of Akerley Boulevard East from Burnside Drive to John Savage Avenue	\$39,000
• Asphalt Paving of Akerley Boulevard West from John Savage Avenue to Burnside Drive	\$156,000
• Asphalt Paving of Ilsley Avenue from Wright Avenue to Ronald Smith Avenue.....	\$156,000
• Asphalt Paving of Joseph Zatzman Drive from Akerley Boulevard to Raddall Avenue	\$68,000
• Asphalt Paving of Spectacle Lake Drive from Commodore Drive to End	\$105,000
• Asphalt Paving of Oland Court from Thornhill Drive to End	\$78,000
• Asphalt Paving of Topple Drive from Vidito Drive to Joseph Zatzman Drive	\$28,000
	<u>\$39,000</u>
	<u>\$1,053,000</u>
3. Sidewalk Upgrades:	
• Northside of Akerley Boulevard from Windmill Road to Fielding Avenue	
• Eastside of Windmill Road from Akerley Boulevard to Maritime Beer Property	\$150,000
• Eastside of Ilsley Avenue from Wright Avenue to Existing Sidewalk Opposite Raddall Avenue	\$250,000
• Sidewalk construction - Locations to be determined based upon analysis of need	\$130,000
	<u>\$800,000</u>
	<u>\$1,330,000</u>
TOTAL	<u>\$4,300,000</u>

<p>Table 14 Summary of Proposed Additions to Inventory of 'Serviced/Market Ready' Lots and Recommended Infrastructure Upgrade Projects; Market Value Existing Inventory of 'Serviced/Market Ready' Lots and Uncommitted Balance of Business/Industrial Parks Expansion Reserve</p>		
	Estimated Cost	Estimated Revenue
A. Park Expansion Projects/Additions to Inventory:		
• Bayers Lake	\$8.62 M	\$8.72 M
• Burnside	<u>\$32.91 M</u>	<u>\$33.76 M</u>
	<u>\$41.53 M</u>	<u>\$42.48 M</u>
B. Infrastructure Upgrade Projects:		
• Bayers Lake	\$7.00 M	Ø
• Burnside	<u>\$3.20 M</u>	Ø
	<u>\$10.20 M</u>	Ø
C. Market Value of Existing Inventory of 'Serviced Market Ready' Lots: As of April 1, 2002		
• Bayers Lake	Ø	\$3.30 M
• Burnside	Ø	<u>\$9.20 M</u>
	Ø	<u>\$12.50 M</u>
D. Uncommitted Balance of Business/Industrial Parks Expansion Reserve: Unaudited as of April 1, 2002	Ø	\$1.62 M